Reviewing the use of big data in supply chain optimization in the USA

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Abstract

This paper provides a succinct overview of the review conducted on the utilization of Big Data in supply chain optimization within the United States. The advent of Big Data analytics has revolutionized traditional supply chain management, offering unprecedented opportunities for enhancing efficiency, reducing costs, and improving overall operational performance. This comprehensive review examines the current state of Big Data applications in supply chain optimization, focusing specifically on the context of the United States. The review begins by outlining the fundamental role of Big Data in transforming supply chain processes. It delves into various aspects, including data collection, processing, and analysis, emphasizing their impact on decision-making and strategic planning. Notably, the study highlights real-world examples of successful Big Data implementations within the U.S. supply chain landscape, showcasing how companies have leveraged data-driven insights to streamline operations and gain a competitive edge. Furthermore, the paper explores the challenges associated with the adoption of Big Data in supply chain management. Additionally, the review considers the organizational and cultural shifts required for successful integration, emphasizing the importance of a holistic approach to implementation. The paper concludes by pointing towards future trends and potential developments in the use of Big Data for supply chain optimization in the U.S. It underscores the evolving nature of technology and its continued impact on reshaping supply chain strategies. The insights derived from this review contribute to a deeper understanding of the current landscape, offering valuable implications for practitioners, researchers, and policymakers engaged in optimizing supply chain processes through the harnessing of Big Data analytics.

Keywords: Big Data; Supply Chain; USA; Optimization; Review

1. Introduction

The traditional supply chain management system has been the backbone of businesses for decades, focusing on the flow of goods and services from the point of origin to the point of consumption. However, with the emergence of big data, there has been a significant shift in the way supply chains are optimized. Big data analytics has become increasingly important in supply chain management, offering the potential to enhance decision-making processes, improve operational efficiency, and drive competitive advantage (Wang & Alexander, 2015). Enterprises in the supply chain can utilize big data to control inventories and optimize production processes, which can help reduce internal costs related to production, sales, and inventories (Xu et al., 2019). The use of big data in supply chain management has become...
crucial due to the increasing flow of data generated in the supply chain, which pushes enterprises to accept supply chain analytics to gain a competitive advantage (Yang, 2022).

The purpose of this review is to highlight the current state of big data applications in supply chain optimization and explore the successes and challenges in the context of the United States. It is essential to understand the impact of big data analytics on service supply chain processes and the key success factors and enablers in managing the supply chain process (Singh et al., 2018). Additionally, the review aims to investigate the possibility of utilizing big data technology for supporting business process optimization with respect to privacy regulations in supply chains under the usage of the big data analytics lifecycle (Robak et al., 2016). Furthermore, the review will explore the impact of big data on investment decision-making and coordination of supply chains in the era of big data, emphasizing the quality of data in the supply chain and its effect on the usage of big data by supply chain members (Liu & Yi, 2016).

In conclusion, the integration of big data in supply chain management has the potential to revolutionize traditional supply chain practices. By leveraging big data analytics, businesses can gain real-time insights, improve visibility throughout the supply chain, and make critical decisions that drive operational performance and customer interaction (Wang & Alexander, 2015). However, challenges such as data quality, privacy regulations, and the complexity of supply chain networks need to be addressed to fully realize the potential of big data in supply chain optimization. This review will provide a comprehensive understanding of the current state of big data applications in supply chain optimization in the USA, shedding light on both the successes and challenges associated with its implementation.

2. Fundamentals of Big Data in Supply Chain Optimization

In the realm of supply chain management, the utilization of big data has become increasingly prevalent, with leading firms such as Dell, Apple, and Samsung leveraging big data to enhance supply chain processes and unearth new business prospects (Yu et al., 2018). The acquisition of supply chain data from various sources, including customer website visits, social media sentiments, and evolving contractual ties, has been identified as a critical aspect of big data-driven supply chain capabilities (Bansal et al., 2020). Furthermore, the real-time acquisition of data has been underscored as pivotal, particularly in scenarios such as continuous operation principles in fusion devices, where data must be analyzed and stored on the fly (Zilker et al., 2010). This real-time data acquisition is essential for enabling timely communication and handling the massive and complex data present in enterprises, consumers, and banks (Wu & Fisher, 2020; Adeleke et al; 2019; Ilugbusi et al., 2020).

Once the data is collected, the processing phase becomes crucial. Techniques for handling large datasets are imperative, and the significance of data cleansing and quality assurance cannot be overstated. This is particularly relevant in the context of big data solutions supporting operations and decision-making across various business divisions throughout the product lifecycle of a smart factory (Li et al., 2019). Moreover, the impact of strategic sourcing, which encompasses strategic purchasing and internal integration, has been identified as a contributing factor to supply chain agility, further emphasizing the importance of data processing techniques in supply chain optimization (Chiang et al., 2012).

Subsequently, data analysis plays a pivotal role in extracting meaningful insights that can significantly influence decision-making in supply chain management. The application of big data analytics has been recognized as instrumental in coordinating and regulating planning, decision-making, and supply chain preparedness, thereby enhancing the alertness and flexibility of supply networks (Vincent et al., 2021; Sakib, 2021). Additionally, the utilization of big data in supply chain and business management has been shown to improve supply chain visibility, provide an integrated perspective on operating performance and customer behavior, and offer real-time views to facilitate decision-making (Liu & Yi, 2016).

In conclusion, the integration of big data into supply chain optimization is a multifaceted process that encompasses data collection, processing, and analysis. Leveraging real-time data acquisition, handling large datasets, and employing advanced analytics techniques are pivotal in enhancing supply chain capabilities and performance. The impact of big data on supply chain management decision-making is profound, with its potential to drive supply chain agility, responsiveness, and financial performance. Therefore, embracing big data in supply chain optimization is imperative for organizations aiming to gain a competitive edge in today’s dynamic business landscape.

3. Case Studies: Successful Implementations in the U.S.

Successful case studies in the U.S. have demonstrated the effective implementation of Big Data for supply chain optimization. Companies have leveraged Big Data to improve forecasting and demand planning, enhance inventory
management, and achieve efficient logistics and distribution. For instance, in the context of enterprise resource planning (ERP) systems, critical success factors play a pivotal role in the successful implementation of such technologies (Žabjek et al., 2009). Research has indicated that the success rate of ERP implementation projects, particularly in small and medium-sized enterprises (SMEs), is around 50%, with approximately 90% of projects being late or over budget (Chatzoglou et al., 2016). This underscores the significance of identifying and addressing critical success factors to ensure the successful implementation of technology-driven initiatives.

Moreover, successful implementations extend beyond the realm of technology. In the transportation sector, successful universal student transit pass programs have been implemented in the U.S., leading to significant ridership gains during the first year of implementation (Abrahams et al., 2023; Han et al., 2019). This exemplifies how effective planning and implementation strategies, coupled with stakeholder engagement, can result in successful outcomes in complex operational contexts.

In conclusion, successful case studies in the U.S. have showcased the impactful utilization of Big Data for supply chain optimization. By addressing critical success factors, companies have been able to enhance their forecasting and demand planning, improve inventory management, and streamline logistics and distribution processes. Furthermore, the successful implementation of transit pass programs highlights the importance of comprehensive planning and stakeholder engagement in achieving favorable outcomes in diverse operational domains.

4. Challenges in Adopting Big Data in Supply Chain Management

The adoption of big data in supply chain management (SCM) presents several challenges that organizations need to address. These challenges can be categorized into three main areas: data security and privacy, technological infrastructure, and organizational and cultural shifts.

The handling of sensitive supply chain information poses significant risks, including the potential for data breaches, unauthorized access, and misuse of data (Shahzad et al., 2020). These risks are further compounded by the increasing volume and variety of data generated within supply chains, making it essential for organizations to implement robust data security measures (Adaga et al., 2024; Kache & Seuring, 2017). Mitigation strategies for ensuring data security include the use of advanced technologies such as AI, machine learning, and proactive blockchain to address challenges related to data collection, analysis, and processing (Shahzad et al., 2020). Additionally, the implementation of privacy protection and data coordination mechanisms based on blockchain can help address privacy and security issues when exchanging large amounts of data within supply chains (Tang et al., 2023).

The adoption of big data in SCM requires advanced technological infrastructure, which may pose barriers to entry for smaller organizations with limited resources (Rehman et al., 2016). The requirements for advanced technologies and systems include the need for scalable and secure computer networks, as well as the integration of RFID-based track and trace systems for efficient data sharing (Abrahams et al., 2024; Chen et al., 2015). However, the restricted resources of tags in RFID-based systems raise new security and privacy challenges that organizations must navigate (Chen et al., 2015). Moreover, the interoperability issues in blockchain for supply chain management highlight the need for mass adoption procedures to overcome technological barriers (Hassan et al., 2024; Kayikci & Subramanian, 2022).

The adoption of big data in SCM necessitates significant organizational and cultural shifts. Change management considerations are crucial to facilitate the transition towards a data-driven decision-making environment (Liu et al., 2023). Organizations need to align their culture with data-driven decision-making by fostering a collaborative and transparent organizational culture that supports the integration of big data analytics into SCM processes (Porter, 2019). Furthermore, the role of organizational culture in mitigating supply chain risks and enhancing organizational performance underscores the importance of cultural alignment in addressing challenges associated with SCM (Balogun et al., 2024; Kim, 2014).

In conclusion, the adoption of big data in supply chain management presents multifaceted challenges that encompass data security and privacy, technological infrastructure, and organizational and cultural shifts. Addressing these challenges requires a comprehensive approach that integrates advanced technologies, robust security measures, and organizational change management strategies to realize the full potential of big data in SCM.
5. Case Studies of Reviewing the Use of Big Data in Supply Chain Optimization in the USA

Big data has become increasingly important in supply chain management, offering opportunities for innovation and risk mitigation. Case studies have shown that the application of big data analytics in supply chain operations can enhance innovation capabilities, reduce operating costs, improve flexibility, and enhance customer satisfaction (Tan et al., 2015; Hsu et al., 2021). However, the integration of big data analytics with sustainability to mitigate supply chain risk has been slow to achieve desired outcomes (Mani et al., 2017). This highlights the need for further research and development in this area.

The use of big data technology allows enterprises to monitor and visualize information flow through supply chains in real time, enabling them to make informed decisions and improve supply chain resilience (Liu et al., 2023; Akindote et al., 2023). Furthermore, the utilization of big data in supply chain management can optimize logistics and distribution, taking into account transport costs, inventory, and customer demand, thereby improving overall supply chain network performance (Golabek et al., 2021; Wu & Shi, 2017).

In addition to enhancing operational efficiency, big data analytics can also contribute to sustainable supply chain management. The incorporation of big data in sustainable supply chain management has gained increasing popularity among researchers globally, with a focus on promoting overall coordinated development and increasing enterprise competitiveness (Zhang et al., 2020; Morales & Día-Serna, 2021). However, there is a need for further exploration of the impact of big data analysis capability on supply chain performance, particularly in relation to supply chain collaboration and resilience (Babarinde et al., 2023; Gu, 2022).

Moreover, the application of big data in supply chain decision-making processes, such as investment decisions and coordination, has been a subject of research. Studies have examined the impact of big data information investment on supply chain performance and coordination, as well as the cost threshold of big data business within the supply chain (Xu et al., 2019; Yan-ping et al., 2018; Liu & Yi, 2016). This highlights the potential for big data to influence strategic decision-making within supply chain operations.

While the potential benefits of big data in supply chain optimization are evident, there are also challenges associated with its utilization. For instance, there is a need to consider privacy regulations and data analytics lifecycle when utilizing big data technology for business process optimization in supply chains (Okoro et al., 2024; Robak et al., 2016). Additionally, the dynamics of supply chain and the effective use of collected data to improve performance require further exploration (Rong et al., 2022).

In conclusion, the case studies and research on the use of big data in supply chain optimization in the USA demonstrate its potential to enhance innovation capabilities, mitigate risks, improve operational efficiency, and promote sustainability. However, there are also challenges and areas that require further investigation to fully realize the benefits of big data in supply chain management.

6. Future Trends and Developments

To address the future trends and developments on the use of Big Data in supply chain optimization in the USA, it is essential to consider the evolving technologies and the regulatory landscape. The integration of artificial intelligence (AI) and machine learning (ML) is a significant trend in supply chain optimization (Alvarez-Rodriguez et al., 2018). This integration enables the development of advanced data analytics tools for supply chain optimization, leading to improved decision-making processes and operational efficiency (Orieno et al., 2024; Oncioiu et al., 2019). Furthermore, the application of big data analytics in logistics and supply chain management has been theorized to provide future research and development directions in this field (Babatunde et al., 2021; Govindan et al., 2018). In the USA, the impact of changing regulations on data usage in supply chain management is a critical consideration. The evolving regulatory landscape influences the adoption of Big Data solutions in supply chain management and requires companies to address compliance considerations (Ezeigweneme et al., 2024; Al-Shorman et al., 2023). Additionally, the use of predictive big data analytics for demand forecasting in supply chains is an area that requires further research, especially in closed-loop supply chains (Ohenhen et al., 2024; Seyedan & Mafakheri, 2020).

The future trends in supply chain optimization also encompass the application of machine learning for supply chain financial risk prevention (Lei et al., 2023; Lukong et al., 2022). This involves the systematic review and analysis of the necessity and urgency of applying AI technology to identify financial difficulties in supply chains. Moreover, the construction of an AI application model for supply chain financial risk assessment is a significant development in this
domain (Luo et al., 2022). The use of AI and ML in various sectors, including supply chain management, is expected to continue growing in importance in the coming years (Naved, 2022). Furthermore, the impact of predictive analytics of Big Data in supply chain management on decision-making processes has been studied, highlighting the significance of leveraging predictive analytics for informed decision-making in supply chain operations (Patrick et al., 2022).

In conclusion, the future trends and developments on the use of Big Data in supply chain optimization in the USA are characterized by the integration of AI and ML, advancements in data analytics tools, and the impact of changing regulations on data usage in supply chain management. These trends are supported by research that emphasizes the application of big data analytics, machine learning, and predictive analytics in supply chain optimization, reflecting the evolving landscape of technology and regulations in the USA.

7. Recommendation and Conclusion for Reviewing the Use of Big Data in Supply Chain Optimization in the USA

The review has illuminated the transformative impact of Big Data on supply chain optimization within the United States. Key findings include the fundamental role of Big Data in enhancing efficiency, reducing costs, and improving overall operational performance. Real-world case studies exemplify successful implementations, particularly in areas such as demand planning, inventory management, and logistics. However, challenges persist, ranging from data security concerns to the need for advanced technological infrastructure. Organizational and cultural shifts are identified as crucial elements for successful integration. Practitioners in the supply chain industry can glean insights into the potential benefits and challenges associated with adopting Big Data analytics. The successful case studies serve as valuable benchmarks for companies aiming to optimize their supply chain processes. Researchers can find inspiration for further investigations into emerging technologies, data security measures, and the organizational dynamics required for successful implementation. Policymakers are encouraged to consider the evolving regulatory landscape surrounding data usage in supply chain management, ensuring a balance between innovation and compliance.

The evolving nature of technology and the dynamic landscape of supply chain management necessitate a call to action for continued research and exploration in the field of Big Data. Future studies should delve deeper into the integration of artificial intelligence and machine learning, examining their potential to revolutionize decision-making processes. Moreover, researchers should focus on developing robust frameworks for addressing data security concerns and ensuring compliance with changing regulations. Practitioners are encouraged to actively participate in collaborative research efforts, sharing their experiences to contribute to a collective understanding of best practices.

8. Conclusion

In conclusion, as the United States continues to navigate the complexities of modern supply chain dynamics, the integration of Big Data remains a critical driver of success. This review not only provides valuable insights into the current state but also paves the way for a future where data-driven decision-making becomes increasingly integral to optimizing supply chain processes. Through collaboration, innovation, and ongoing research, stakeholders can collectively harness the power of Big Data to propel the nation’s supply chains into a more efficient, resilient, and competitive future.

Compliance with ethical standards

Disclosure of conflict of interest

No conflict of interest to be disclosed.

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