

## Simply Analyze about Supply-chain Management of E-commerce

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**Abstract.** Supply chain management is a comprehensive plan for the use of computer network technology in the supply chain business flow, logistics, information flow, capital flow, etc., and to plan, organize, coordinate and control. Establish an information platform, the company's vertical integration, information sharing and timely delivery, to promote e-commerce environment, the concept of supply chain management, demand optimization.

**Keywords:** Supply-chain Management, E-commerce, logistic

### 1. E-commerce supply chain in the role of modern enterprise management

Currently, most business functions of the professional process is developed from 200 years ago, British economist Adam Smith in "Wealth of Nations" in the proposed division of labor theory. It is suitable for products in short supply, emphasizing the industrial age economies of scale. In the information age, the market environment of rapid change, customer demand is the key, more emphasis on time to the economy. Facing the modern management in reducing inventory and increasing pressure to improve services, supply chain, different companies have their relative purposes. If the supply chain form a network, even if geographically far apart, through the WEB of supply chain management can play a great synergy. Electronic supply chain management focus on suppliers and customers, by enhancing the links with major suppliers, and strengthen the communication of information between each other and consistency of supply chain and improve efficiency, enhance the enterprise's core competitiveness. For any industry, manufacturers and raw material procurement production planning stage cannot be separated in close contact with suppliers. How to improve supply chain management has become one issue for manufacturer to face in the reality. Efficient supply chain, logistics and information flow to the management of many enterprises to increase market share, reduce costs and increase profitability of the weapon. In many industries, supply chain performance for other companies to win market share in one of the decisive factors. Logistics and information flow to achieve a high degree of integration is the primary objective of the supply chain. When companies in the understanding of supply chain management, there are still a lot of errors, which mainly focus on only as a part of business to provide high quality products for our customers to minimize inventory and supply chain logistics links, and provide timely information on part of the information flow and pay little attention. In fact, the e-supply chain to fundamentally change the business process model, but also must be in line with the principle of serving the market to change accordingly.

Second, the elements of e-business supply chain management and application of a key entry point

(A) e-commerce and supply chain management, integrated supply chain management model requires the breakthrough of traditional planning, procurement, production, distribution areas and barriers to internal and inter-enterprise supply chain nodes as a whole functions of various business process, through effective coordination of information flow in the supply chain, logistics, capital flow, the internal supply chain and business organically integrated supply chain to adapt to the new competitive market environment, management and operation of the enterprise's production and quality, high flexibility and low cost. E-commerce supply chain management mainly related to order processing, production organization,

purchasing management, distribution and transportation management, inventory management, customer service, payment management and other aspects. E-commerce applications for the development of the supply chain, but also make up the traditional supply chain deficiencies. From the infrastructure point of view, the traditional supply chain management is generally based on a private dedicated network, will require substantial funding, only a few large enterprises have the ability to build their own supply chain, and this lack of supply chain flexibility. The e-commerce globalization of the supply chain network can be shared, so that small and medium enterprises to lower costs to global supply chain.

(B) the entering point of the application

Enterprise Supply Chain Management is an open, dynamic system, supply chain management can be divided into two broad categories of factors:

- (1) regional factors: including procurement / supply, production / planning, demand / distribution of three elements.
- (2) Liquidity factors: including information flow, capital flow and logistics. Supply chain management system based on six basic elements of regional and mobility, supply chain management system can be formed matrix model, as the table shown below.

Supply chain management matrix model

	Supply / Procurement	Production / planning	Demands / Distribution
information flow	A1	A2	A3
Capital flow	B1	B2	B3
Logistics	C1	C2	C3

By e-commerce to achieve an integrated supply chain management is the development trend in future, manager can identify the key point of the e-business applications from the perspective of supply chain management as well as its details content and give full play the strategic role of e-commerce. E-commerce also can effectively achieve the various business aspects of supply chain information islands of connectivity, able to share the information and business effectively.

At the same time, the e-commerce applications will change the stabilize and affect range of the supply chain, change the traditional way of approach which is step by step, For enterprises to create broad and reliable upstream supply network, provide the basis for significantly reducing procurement costs. So there are more enterprise are able to join the union of the supply chain with a lower costs, higher efficiency and better satisfy of customer. In addition, supply chain management can make the pattern of organization and management to innovate newly, more suitable for modern business.

(C) Core idea of e-business supply chain

(1) Collaborative commerce and business innovation

If a enterprise want to build up a supply chain which is led by itself, first it must be have a big enough scale and a strong leadership in same industry in order to credit the coordinate from others, second it must have a fine and creativity management team and a good reputation to remove the barriers from the operation or supply chain and make the management standardize in future. At last it needs a professional consultant company and technical partner to coordinate with its supply chain management and offer the expert business solution.

(2) An effective competitive advantage

“E” process of a e-enterprise will rise up the efficiency, speed and creativity of the whole organization by changing the relationship of enterprise and customer, enterprise and enterprise, internal of an enterprise, even the relationship between the customers. When it is done, the enterprise will gather a big amount of information to instruct the manufacture; really to achieve customer demands decide the operation of the product and supply chain, and make a integration for a whole supply chain, low down the costs while improving the service level, the gained a effective competitive advantage.

(3) Business outsourcing

By using outsourcing, the enterprise can focus its resource to its core competitive and get the maximum return of investment, any function which is not under core competitive should be minus or outsourcing . business outsourcing will get the maximum coordination of the whole union enterprise, it can reduce the product period, to develop the latest product by using the shortest time, it also can lower down the risky by using the funds of union, it's also an advantage of competitive..

(D) The advantage of E-commerce supply chain

(1) Benefit for keeping the relationship between customers recently.

The competition of e-commerce changes the competition steeply from enterprise and enterprise to supply chain and supply chain; in order to attract and keep the customers, we would to offer to them a business operation mode which is more connivance and lower costs, keep and grow up the closely relationship with existing customers. To make the supply chain gain more value added service, make customers more satisfy. Therefore the supply chain based on e-commerce opened a door between the enterprise and customers, and it can make a directly communication to end client, it is easy to meet the requirement of customers, and keep them remain.

(2) Benefit for growing up the business.

By applying the supply chain management based on e-commerce, it can achieve to manage its product and business by network. At the same time, Supply Chain e-commerce means to achieve the enterprise through an organized, unified management plan; it can reduce circulation, reduce costs, improve efficiency, achieve a higher level, and promote the business development of the relevant companies.

(3) Benefit for developing the new core business

By applying the supply chain management based on e-commerce, it is not only can achieve the corporate restructuring, but also can offer more function service type, it will surely attract more new customer, while bringing new business. Actually, by using this way, either enterprise or customers will get the benefit from it, getting more value of business and reducing costs at the same time, it's "double-winning".

(4) Benefit for improve the operating performance

By applying the supply chain management based on e-commerce, it is not only reduce the costs of production, reduce the replying timing and market feedback timing, but also offering a overall service, so the customer will get the best quality of the product as well as the best service. It can provide the e-commerce to each part of the supply chain, and achieve the resource sharing of market and enterprise. Keep reducing the costs and improving the performance.

(5) Benefit for information sharing

To design a information flow, product flow and cash flow based on e-commerce supply. The enterprise inside the supply chain can make a trading through the internet, so it is easy to handle all useful information; to understand the requirement of the customers and the product supply from a supplier in time. Customers are also connivance to order and trace the product. Supply chain management is the key and most effectively way to achieve the e-commerce. Through the core enterprise lunch, the government support and apply supply chain management, to avoid the awkward situation of unsuccessful e-commerce.

## 2. References

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