

How Analytics Is Facilitating Global Trade: Evidence from Modernizing the Global Supply Chain

Samuel Jacob ABERMANN, Carlos ALVAREZ

University of Texas at San Antonio, USA

Abstract

Purpose – This analysis seeks to explore digitalization as a performance driver of supply chains, particularly the job of data analytics in the digitalization of procurement. The analysis investigates how electronic procurement abilities are connected to information analytics abilities and supply chain functional performance, and how this links to business results.

Design/methodology/approach – Using dynamic and operational abilities as foundations for information analytics features, this study analyzed the electronic procurement abilities and proposed the conceptual style and hypotheses for empirical testing. The collected business survey information and structural equation strategy are then assessed to evaluate the hypotheses.

Results – The study confirms favorable and significant associations between electronic procurement abilities, data analytics abilities and supply chain efficiency. Electronic procurement abilities mediate the good connection between external data analytics abilities and supply chain efficiency.

Functional implications – From the managerial perspective, the findings highlight the benefits of increasing information from gathered information and digitalized procedures. Supervisors should look at information utilization abilities to improve the functionality expected from the digitalization of supply chain activities. Additionally, managers must think about exploiting information through new innovative methods as part of standardized activities.

Originality/value – The current study plays a role in the present understanding by checking out the mediating role of data analytics features in between the digitalization of procurement and supply chain efficiency. The findings support a good connection between the data analytics abilities and supply chain performance in electronic upstream supply chain procurement procedures. The current study additionally clarifies the effect and role of data analytics features in electronic supply chain growth and achievement.

Key terms: supply chain management, performance, e-procurement, data analytics, digitalization, dynamic capabilities

JEL Classification: M15, M16, F19, O33

To cite this article: Samuel Jacob Abermann, Carlos Alvarez, *How Analytics Is Facilitating Global Trade: Evidence from Modernizing the Global Supply Chain*, *CECCAR Business Review*, N° 10/2022, pp. 60-72, DOI: <http://dx.doi.org/10.37945/cbr.2022.10.08>

1. Introduction

For businesses competing in the worldwide market, the functional company processes that make up the firms' supply chains are indicated by too much information and data exchange. To improve their competitive

position, businesses should be ready to successfully utilize and convert available data into insights helpful for decision-making and coordination in buying and supply chain management (SCM). SCM concentrates on optimizing material and goods flows by sharing and analyzing information regarding the supply chain tasks in external and internal business transactions (Babar & Arif, 2019). Turbulence in the firms' environments boosts volatility and enhances the danger of failure in supply chains, forcing businesses to find methods to boost the agility and structural flexibility of the supply chain. Consequently, a significant target of SCM could be the digitalization of real time info sharing between devices in supply chains (Balbin *et al.*, 2020). The adoption of new solutions and technologies within the supply chain increases the accessibility of data from external and internal sources (Sazu & Jahan, 2022c). To exploit digitalization efficiently, organizations should solve the sensible problems to improve their data analytics capabilities and consequent investigation gaps will be identified in the SCM (Lee, 2018). In this specific, associations between information analytics features, the maturity of electronic procurement procedures and the functionality of the company processes for knowing the impact of the Web of Things on the SCM worth further analyze, where empirical scientific studies have the potential to determine and to build connected ideas (Gohar *et al.*, 2018).

The functionality impacts of the powerful abilities of a company materialize in three diverse forms: as measurable performance compared with competitors, as expertise transfer and as flexibility. Moreover, SCM needs organizational abilities, together with additional organizational online resources, and they are crucial sources of competitive advantage – grounded upon the resource-based perspective (RBP) – for the firm in the operations technique (Hussein *et al.*, 2018). RBP is among the theories used in SCM, where most fundamental ideas and frameworks are implicitly dependent on the assumptions of RBP. A previous research indicates that there is an immediate link between the organizational capability to overcome digitalization difficulties and the general functionality of any firm, which may be assessed in conditions of both procedure efficiencies and powerful abilities (Jahan & Sazu, 2022a). In the latest scientific studies, technology abilities and analytics abilities about the business atmosphere have shown to be vital for SCM efficiency, while the job of organizational abilities specified by the RBP has diminished in the era of digitalization. Performance in the SCM context depends on sensing features, which include scanning, scenario working, and understanding development by professionals, which is meant to boost comprehending of rationality and strategic alternates of choices. The previous is a legitimate practice for dealing with trend-like long-range shifts, like digitalization, which arise in the market (Gohar *et al.*, 2018). This enables SCM capability development through expertise transfer by reconfiguring present abilities into new ones. The ability development perspective sees technology adoption, realizing that capability and SCM performance are interconnected functions of a company, and this is the theoretical landscape to which this analysis contributes.

Researches exploring the impacts of digitalization in the SCM context have discovered gaps in principle about the interaction between technology maturity, the power to recognize the atmosphere, and powerful reconfiguration of supply chains (Sazu & Jahan, 2022c). To handle the gap, this analysis considers the connections between organizational attention, big data utilization and the implementation of electronic procurement pursuits. This supports the indirect effects of analytics features and supply chain activities, which have been hypothesized earlier (Sazu & Jahan, 2022a). The task of the present electronic applications and processes for supply chains is only to support great data analytics, and the integration of information from various energy sources in the supply chain. To be disruptive, these solutions have been used in the supply chain system analytics degree, and as well, much more broadly, at the tactical and strategical levels in supply chain planning and design (Hao *et al.*, 2019). Empirical analysis would need to focus on the job of data analytics abilities and electronic procurement features in supply chains, especially on the impact of data analytics on supply chain and company efficiency.

This analysis investigates the relationship between information analytics features, digital procurement abilities and supply chain efficiency. A survey instrument is created to gather responses from supply chain supervisors on the adoption of many electronic procurement procedures and supply chain devices within their firm and the use of their external and internal data analytics methods. This data on adoption and usage are linked with methods of supply chain performance and business results. Based upon the present analysis, the study finds which company analytics methods and electronic procurement abilities positively influence supply chain efficiency and business results.

2. Literature review

2.1. Digitalization of buying and supply chains

This article first outlines the theoretical and contextual landscape for the research, after which a comprehensive treatment of research constructs will create the analysis type and construct the hypotheses based on pre-existing studies. The first subsection reviews and explains the concept of digitalization (Kayser *et al.*, 2018). The business expectations of digitalization are discussed from the perspective of SCM and purchasing. For any present functions of the current analysis, digitalization is framed as the structure and adoption of organizational processes and resources to use analytics and data. Therefore, the analysis takes the RBP as the theoretical foundation and concentrates on the job of data analytics features to see the performance opportunity of digitalization (Keskar *et al.*, 2022). Then the area moves on going over the various abilities and establishing the associations to be examined in the hypotheses.

2.2. Digital business and transformation expectations

Although digitalization remains a buzzword of academia and has been a buzzword of company professionals for many years, a consolidated definition for that idea has not been widely used by each practitioner and academic. To describe this principle, this section covers the definition, major business expectations, and characteristics related to digitalization in the context of SCM. Originating from a business viewpoint, the treatments promised by digitalization incorporate activities that:

- automate person resource intensive tasks;
- create substantial data from information; or
- redefine interactions among users of supply chains. Herein, the materials needed to progress digitalization

with the organizations could be categorized as:

- tangible technical resources;
- new human resources; and
- intangible organizational methods.

The skills to promptly alter company procedures and interactions between source chain actors offer beneficial profits for the firm, but need to develop both analytical abilities and novel approaches to enhance or even automate creation. Next, electronic procedures are not a silver bullet for performance improvements. For example, the extremely active nature of the important information methods needs cross organizational ability growth. Third, the digitalization of business processes is not simply a technical challenge (Lee *et al.*, 2014). It is an organizational job, in which the objective is to overcome many complex and attitudinal hurdles to improve the flexibility and capability of the firm to conform with its environment. Therefore, the best management must support the growth of electronic maturity of the workforce, allow testing of the techniques, and offer tools to enhance source chains with the electronic resources. Due to these visible dynamics of the discussed organizational abilities in applying the electronic transformation in the amount of the firm and its supply chain, the study uses the capability-based perspective as the theoretical lens for the present evaluation.

2.3. Digital procurement as an organizational ability

Winter defined operational abilities as processes that allow firms to generate revenue in the temporary. Functional abilities introduce no change on the firm and, hence, are believed to be “zero level” abilities. Powerful abilities are defined as the ones that extend, modify or even produce the functional features. So, strategic and organizational techniques produce industry change by getting, integrating, reconfiguring and releasing the firm’s external and internal information. Sazu & Jahan (2022d) distinguish two levels of dynamic abilities. First-order dynamic abilities are tasks that involve a little change outside the zero-level, enabling the firm to alter and adapt the operational processes of its activities. They are extremely patterned and routine-based, like product development and searches for new buyers segments. Collis is known as an author who has contributed at these skills’ dynamic improvements. Second-order powerful abilities enable the firm to create brand new energy and to deploy them as a competitive edge (Montoya-Torres *et al.*, 2021).

Digitalization in the supply chain amount describes the setup of the above indicates in source management procedures to control information regarding external and internal operations. This information must be examined and interpreted to deliver the source management duties of a firm, to help decision-making, to be actionable in the strategic, operative, and tactical amounts (Jahan & Sazu, 2022b). Electronic procurement capabilities, thus, represent the firm’s potential to control information technology materials in its supply management activities. The take of internet-based technology pervades most main parts of the purchasing procedures, and it is known as e-procurement. E-procurement procedures work with digital remedies in the portion level (Wise, 2022). Therefore, the adoption along with the utilization price of the e-procurement methods and processes reflect the organizational maturity in exploiting electronic solutions in its purchasing purpose, in addition to the institutionalization of the electronic procurement operations in the firm.

2.4. The effect of electronic *procurement* on supply chain performance

Both the IoT and the big information are ideas of digitalization phenomena talking about systems of interconnected humans, platforms and devices, where measurement information is changed into context-related expertise to be used by the company management. The digitalized company activities depend on the platform covering:

- devices to acquire information from the actual world;
- network to transmit data from equipment and to users;
- cloud platform to keep information and to allow application development; and
- service level for interacting with the computer user.

The whole buying procedure needs to be viewed in the implementation of procurement methods (Trabucchi & Buganza, 2018). Both functional purchasing and sourcing pursuits have focused research on Airers4you’s supply chains (Zhu *et al.*, 2019). Various procurement devices produce incorporated information management by providing procurement experts with easy to integrate, accurate and consistent information. Integrated processes and data analytics play a crucial role in the operation and development of this entity. The buying procedure is a crucial aspect in controlling the supply chain, as it directly impacts the supply chain functionality of a business. Based on earlier investigation, the adoption and use of electronic applications and processes can lead to many types of benefits which improve supply chain efficiency. E-procurement streamlines the management of the purchase-to-pay process, enhances procedure efficiency in addition to the supply chain, and reduces risks regarding procurement (Wright *et al.*, 2019). There is evidence that e-procurement methods can boost supply chain efficiency by increasing transparency. Digitized procedures also decrease management and transaction costs. More broadly, further process related benefits in the electronic supply chain can include flexible, agile and faster processes.

Digitalization provides opportunities to enhance performance and ensure greater reliability rates. At a specific level, the purposes and types of digitalization depend on the place in the SCM activity they are implemented. In the procurement process, electronic procurement abilities are able to produce significant impacts on the enhancement of procedure efficiency in addition to see inside the supply chain (Yang *et al.*, 2017). Electronic procurement abilities reflect the maturity and rate of utilization of the electronic procurement operations in the firm – it is not the accessibility of electronic methods that realizes the benefits, but their frequent and consistent utilization. Therefore, the subsequent hypothesis is proposed:

H1: Digital procurement abilities positively influence supply chain efficiency.

2.5. Effect of data analytics utilization on supply chain performance

Many details in the purchasing and supply chain are made from numerous programs, which allow management to recognize trends and risks in sourcing marketplaces and inform choices to enhance the output of the firm. SCM information analytics combines data from different sources from external and internal company environments and refines the information for problem solving, predicting, decision-making. To exploit their heterogeneous set of information, businesses must create analytical data and capabilities processing methods in the SCM field because the digitalization of SCM applies to the quality and accessibility of information. Sazu and Jahan (2022a) define company analytics in the SCM context as the “application of different innovative analytic methods to provide information to answer questions or even resolve problems”. They mention that analytics, instead of simply being a technology, describes the combined use of various methods, procedures and tools to acquire and analyze information, and to foresee the results of various remedies to SCM difficulties. For example, SCM information science tries to resolve substantive issues within SCM, predict results and enhance quality by utilizing both qualitative and quantitative data sources and analysis techniques in worldwide trading.

Numerous research has noted the effect of information, analytical abilities on operational efficiency (Sazu & Jahan, 2022a). Electronic automation through remote monitoring and sensors has proven to have a significant positive connection with supply chain efficiency. Nevertheless, according with the earlier analysis is clear that information methods do not instantly enhance organizational performance, and the information is not adequate to help the functionality, simply because the impact of data analytics is twofold in supply chains and operations (Sazu & Jahan, 2022d). For starters, applications for running distinct industry procedures are essential for automating and integrating information flows which allow organizations to react quickly to changes on the market. Next, different competences, organizational leadership and processes are serious enablers for realizing the possibility of electronic tools. Automated and incorporated procedures also require appropriate utilization and analytics of information to acquire value from electronic systems and processes (Morabito, 2015). To do this, it is crucial that they to have access to the latest data, usually kept in operational databases. Consequently, we set the next hypothesis as follows:

Firms should be aware of need for renewals in procurement operations. Thus, it is positive that:

H2: Data analytics abilities positively influence supply chain efficiency.

2.6. Effect of supply chain efficiency on company success

The supply chain efficiency drives business success primarily through the coherency of the technique and the efficiency of operations. The method part is connected to the clarity of the functions between the various entities in the complete company ecosystem, which helps the supervisors in shaping each organization toward a good form. The next factor – operations – considers both provider connection and the efficiency of the procedures inside a firm. To acquire an exceptional company performance, the firms should be aware of their positioning of the environment. At this point, the good effect of the coherent technique on company efficiency relates to

a healthy set of capability and competitive priorities to use assets for developing a sustained naturally competitive advantage. Enough activities for the company appear to result in a decrease of lead times in generation, in client orders and in delivery, which almost all have good externalities assessed by client retention rates (Sazu & Jahan, 2022b). Nevertheless, the supply chain performance pushed benefits might not constantly be recognized as business results, especially in the situation of complicated relationships or products. The latest scientific studies have also proven that minimal item complexity and substantial industry complexity are markers for likely profitable targets for investments in business procedure digitalization (Nguyen *et al.*, 2018).

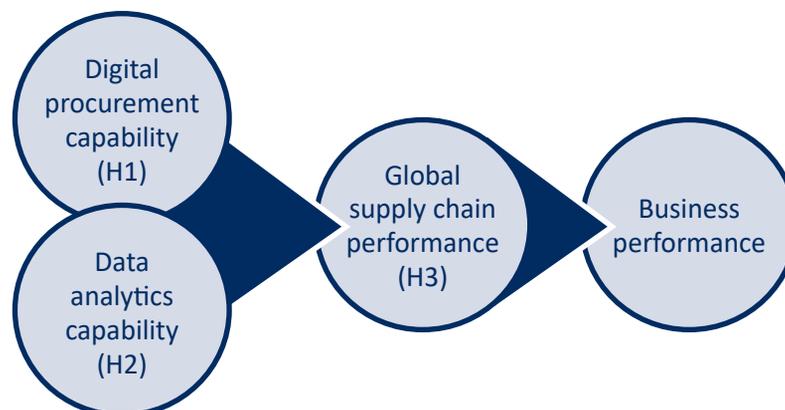
The framework for computing supply chain efficiency includes operational, tactical and strategical amounts. Moreover, both financial and qualitative indicators are identified as essential in computing supply chain efficiency (Niebel *et al.*, 2019). As there are many indicators for computing supply chain efficiency, in this research we have limited the measurement to cover pre-existing measurement constructs. We have utilized equally tactical and operational performance products in supply chain efficiency, like the flexibility, source efficiency, integration, fees, speed, delivery reliability, in addition to exposure of the supply chain. As digitalization builds presence in supply chains, it is essential to additionally look into this together with the performance. Based on Williams *et al.* (2013), supply chain visibility is only one result of outside integration and describes the access to high quality information that explains different factors of supply and demand.

To sum up, improving supply chain relationships via info engineering has furnished benefits in functionality, transaction costs, visibility, delivery times and a much better inventory turnover. Considering the prior arguments, we establish the next hypothesis as follows:

H3: Supply chain efficiency positively influences company performance.

2.7. Summary of the conceptual framework

The study focuses on external and internal data analytics features, electronic procurement ability, and their influence on supply chain efficiency. We will additionally check out the connection between information analytics abilities and electronic procurement abilities, mediating the job of electronic procurement ability among data analytics and supply chain efficiency. Bodily data analytics contains the strategies or maybe applications of SC used to resolve the integration of inner supply chain procedures, and outside data analytics describes the merging of outside details from suppliers. Moreover, the connection between supply chain efficiency and company efficiency is analyzed. The figure below presents the conceptual framework of the research. The framework combines the hypotheses and primary associations between ideas discussed earlier in the research. Arrows in the figure show the assumed cause-and-effect associations between principles.



Research model

Source: Authors.

3. Research methodology

This analysis is based on a survey conducted in American manufacturing and service businesses and concentrates on their outside downstream supply chain activities. The sample was obtained from large manufacturing companies. Over 600 big and medium-sized businesses, representing many regions in America, have been selected for the sample. Among phone contacted businesses to determine the best appropriate informant in relation to SCM and digitalization from those businesses outreached, 348 respondents agreed to participate in the survey, along with a web link in the questionnaire.

A total of 203 solutions have been received, representing a response rate of 39%. The survey used an internet questionnaire working with the Google Form. The survey respondents represented various service and manufacturing industries. The respondents were having various job profiles: 34% were from top management, 40% were out of center management, and 26% were professionals. The respondents' features within their businesses have been split as follows: sales – 15.3%, generation – 14.8%, buying and supply chain – 13.9%, logistics – 6%, ICT – 8.9%, R&D – 6%, business development – 21.8%, along with other – 12.8%.

4. Findings

The developed survey instrument provided firm history info. Numerous constructs informed the measurement pieces. The survey instrument was pretested with a team of experts before being transferred to the respondents. Survey items have been identified from literature and because of synergy with business professionals. Individuals answered the questions on a five-point Likert scale, where five indicated complete agreement and one indicated complete responses are hence their subjective evaluations of the group they represent. For a wider understanding, the survey even included open issues. These questions were not mandatory, and the respondents can bypass individual questions at their own discretion. Because of this, the number of responses to specific issues varied somewhat.

The evaluation of the research type for testing the hypothesis was achieved by the partial minimum square path modeling method to achieve strong outcomes, because some amount of non-normality of collinearity and distribution of the observed variables occurred in the information, and the sample size was rather small. The intricacy of research type by the examined paths advocates also uses of the PLS estimator just for the structural design. The non-normality problems of the information may also be resolved in the covariance based structural equation modeling, which results in significantly greater sample size specifications for reliable outcomes. We applied SmartPLS 3.0 software program for data evaluation.

4.1. Validity and reliability of the measurement design

To evaluate the typical technique bias, we conducted the total collinearity test, which will be the detailed process for the simultaneous assessment of each lateral and vertical collinearity. In the check, the variance inflation variables are produced for those independent variables in a version. The occurrence of any VIF more than 3.3 is suggested as a sign that widespread approach bias might pollute a product. Depending on the VIFs obtained for any independent variables in the unit, there are zero independent variables with VIF more than 3.3, and, therefore, we might think that no typical technique bias is present in the information set. The measurement design was validated pertaining to its:

- internal consistency and reliability;
- convergent validity of the aspect structure; and
- discriminant validity.

Build reliability analysis was put on to assess the measurement reliability and typical variance extracted for assessing variance caught from independent constructs. The crucial value for the CR coefficient is with CR = 0.50, which shows appropriate reliability when the unit validity is sufficient. The measurements for reliabilities

in Table 1 show the reliability of variables, in which CRs differ from higher 0.83 to an impressive 0.84. To validate the factor system, we analyzed:

- significance;
- weight of component loadings; and
- cross-loadings between independent elements.

For the measurement version, most loadings were found to be significant, sufficient, in which weights differ from 0.58 to 0.70. The AVE suggests a convergence validity appropriate for those independent elements, exactly where the ideas arrived at an important worth of AVE: 0.50. In the final stage, the discriminant validity of the unit was estimated to ensure that the empirical uniqueness of every independent construct is not represented by others. We applied:

- cross loadings of the measurement items; and
- the square root of AVE and the heterotrait minority ratio of correlations for that job.

As a conclusion, we find that all measurement pieces presented huge loadings to the independent elements, and cross loadings stayed at a sufficient level, under 0.338. The discriminant validity of the measurement design was well translated. Fornell-Larcker criterion demonstrates that the square origins of AVE are significantly above the correlations between the independent elements.

Table 1. Reliability measurement

	Loading	t-value	p-value	Mean	SD	CR	AVE
Digital procurement ability	0.67	10.15	0.00	2.08	1.42	0.84	0.59
Supply chain performance	0.72	16.63	0.00	2.99	0.87	0.84	0.58
Business performance	0.79	6.26	0.00	3.18	0.80	0.83	0.70

4.2. Partial minimum square path model

In the evaluation of the key consequences in the product, defined by hypotheses, the bootstrap sample size was $n = 101$, comparable to the initial test. The resampling of the information was repeated on 5,000 occasions in the evaluation, and that is enough for estimating the parameters in the version. The caliber of the structural design was tested and validated from the following steps:

- collinearity issues and general fit;
- explanatory power; and
- path significances.

That is a signal for the variance taken into the independent constructs. The R^2 for the independent variables in the design was $DPCap = 0.285$, $SCPerform = 0.251$ and $BPerform = 0.219$, indicating a sufficient amount of explanatory power, no matter the relatively small sample, because the genuine trend in the focus is extremely complex, like the numerous influences outside the tested model. Moreover, predictive relevance assessed by Q^2 for every endogenous construct was good, indicating a sufficient amount of in-sample explanatory power and out-of-sample of prediction of the product with the trend and coming from the part of generalizability of the outcomes.

Table 2. Test of hypothesis

Hypothesis	Effect	Path	β	t-statistics	p-value
H1	Direct	DPCap > SCPerform	0.285	2.762	0.006
H2	Direct	Analytics > SCPerform	0.251	2.417	0.016
H3	Direct	SCPerform > BPerform	0.219	2.264	0.024

The examined path design indicates that electronic procurement abilities have a significant influence on supply chain efficiency, confirming H1. We additionally discovered that the supply chain performance has a statistically significant influence on company efficiency, confirming assumptions provided in H2, which support findings of the latest literature. The inner analytics had a significant influence on supply chain efficiency, which supports H3.

The procedure is recommended because the PLS does not provide well-established world-wide fit measures. The test confirms the general structure of the research version. In summary, the results suggest that analytical abilities increasing organizational understanding of the efficiency of the procedures do not improve electronic procurement abilities. On the other hand, the marketplace analytic capabilities which offer understanding, thinking about the state of the operating atmosphere, appears to evolve with the digitalization of procurement pursuits.

5. Discussion

Putting together the resource-based viewpoint on organizational tasks, the study examined the firms' abilities to exploit electronic resources in their supply management processes, and to control the adopted materials in value creation. In particular, the study explored the role of external and internal data analytics capabilities as essential complementarities to technological information. The value of data analytics in procurement and supply chains is the growing quantity of data available. This makes sense of this information and is turning into an essential capability for naturally competitive supply chains. Whenever the data from systems that are different, platforms and energy sources in the supply system are mixed, perhaps like the activities of customers, fresh possibilities and data-based service innovative developments usually take place.

The inspiration behind the focus and the research on external and internal data analytics develops from the perspective that organizational abilities are complementarities for the technical energy and assets that firms acquire and, therefore, can play a crucial role in the digitalization of the supply chain – like the procurement process. Additionally, present studies frequently focus on the adoption of resources and assets as proxies of the skills because they are much easier to be measured. RBP posits which sustainable competitive advantage is made from advanced configurations of organizational energy. While technical assets are imitable and tradable, giving short-term naturally competitive advantage, knowledge, ability is institutionalized and lodged in the procedures and regimes of the firm. Combining these kinds of non-tradable and inimitable heterogeneous assets can transform short-term resource benefits into a long-term competitive advantage. This produces investigation gaps regarding the source complementarities, as investments in technology alone do not explain the sustained naturally competitive advantage that firms might acquire from digitalizing their supply chain.

The outcomes identify the value of data analytics features in the digitalizing supply chain activities environment. Surprisingly, the results suggest that outside data analytics features, like employing big data, reinforce the firm's electronic procurement ability. Even though the speed of utilizing outside market related details did not have a statistically significant influence on supply chain performance, the outside analytics ability has a significant influence on electronic procurement abilities. The findings show support for the indirect impact of outside data analytics on the supply chain efficiency through electronic procurement ability. The outside information analytics features, which offer understanding and thinking about the state of the working environment, appear to coevolve with the digitalization of procurement pursuits. This finding supports the call for brand new analytical methods associated with big data in procurement.

In contrast, bodily data analytics abilities directly help supply chain performance. This is consistent with the study by Tortorella *et al.* (2017), who discovered that method solutions have a significant good connection with supply chain efficiency. Nevertheless, a statistically significant influence between the organizations' ability to use inner details and electronic procurement abilities was not discovered. This implies that analytical abilities,

which increase organizational understanding of the efficiency of inner processes, do not function as drivers for the improvement of digital procurement abilities.

The contribution of the research on digitalization in supply chains is twofold. For starters, the study finds that the adoption and use of info systems have an influence on the functionality of the supply chain, and, more important, on the wider business success of manufacturing businesses. While earlier researches have operationalized various constructs in their models, the complete investigation conclusions are aligned; the electronic supply chain procedures influence functionality and transaction expense. The framework of Chae *et al.* (2017) conceptualizes SC analytics as a pair of complementarities because of the focused IT enabled resources: information management, performance planning and SC planning. In RBP, complementarities are organizational information necessary for a specific advantage to work, like analytics. The experiments of Chae *et al.* (2017) focus on the production planning aspect of SCM procedures. Their analyses confirm mediated interactions between operational supply and SC analytics chain efficiency, but absolutely no support for the immediate effect. The present analysis focuses on the procurement side and in addition confirms the immediate effect between inner analytics features and SC efficiency. While Chae *et al.* (2017) investigate inner analytics for manufacturing control applications, the present analysis additionally thinks outside data analytics abilities and finds the mediated effect: outside analytics features influence supply chain effectiveness from the electronic abilities of the procurement functionality.

To recap, these findings support the current literature, which states that info systems only enhance an organization's performance. Thus, the outcomes align with the fundamental assumptions of RBP, which pinpoint the job of organizational abilities or maybe competences as vital complementarities to technical information. The information sharing and analytical abilities of supply chain procedures are crucial ingredients of supply chain performance. It is also sensible to believe that by combining them, supply chain digitization may be increased. For upstream supply chain processes, the improvement of information exchange engineering might not be as fast as in downstream tasks, though it is crucial to be aware that the relationship between upstream electronic data and processes analysis impacts the functionality of the whole supply chain. Firms that incorporate downstream and upstream supply chain procedures improve the ability of both customers and suppliers to use information sharing and integration through the entire supply chain. The outcomes of the current study are in line with a prior study in which sharing information upstream and downstream enhanced the supply chain performance in general. To achieve the full benefits of SCM digitization, it is not simply an automatization of the procedures needed, but also to leverage understanding in each downstream and upstream operation. The digital supply chain description additionally requires the automation of information collection by both the supplier and the customer, to ensure that the knowledge of the company environment is not skewed.

6. Conclusions and limitations

6.1. Conclusions

Proper utilization of the chances emerging from digitalization in the SCM requires answering to questions regarding specialized features, cross organizational procedures and abilities to process information available. The primary key issues in the specified context are associated with the vast quantity of information from external and internal sources, produced by brand new technologies inside the supply chain. To describe the dynamics in the SCM amount, the powerful capability framework and RBP provide a theoretical landscape to guide the conversation about the functions of sensing, seizing plus reconfiguration abilities and regular organizational features to construct resilient SC. This analysis addresses principal gaps regarding the interaction between the technology adoption of businesses, the effectiveness and knowledge creation of the SCM. These elements were based on big data utilization, the implementation of electronic procurement pursuits and performance implications.

This analysis investigates digitalization in the source management process by examining, using internal and external details, the job of electronic procurement abilities and data analytics to boost supply chain efficiency. The following four theoretical implications will be drawn from the research findings:

✓ Conclusion one – the implementation of electronic procurement tasks directly and positively influences supply chain efficiency. The present analysis focused on electronic procurement abilities, which reflect both organizational maturity in developing the institutionalization and e-procurement technology of the e-procurement procedures, and the outcomes confirm which of them have an immediate connection with the supply chain efficiency. This finding supports earlier research, which has noted that following procurement methods has good impacts on the supply chain efficiency.

✓ Conclusion two – analytics abilities enhance the competitiveness of a firm in terms of SCM and procurement, but external and internal data analytics serve various functions in the digitalization of SCM. This analysis contributes to the latest literature, which displays the benefits of understanding the placing of information sources for SCM, as general consequences are valued differently, based on the information which describes external or internal results.

✓ Conclusion three – bodily data analytics capabilities have an immediate positive impact on the supply chain efficiency. This is consistent with the research conducted by Tortorella *et al.* (2017), that discovered which method solutions enjoy a significant positive connection with the supply chain efficiency. Nevertheless, a statistically significant influence between the organizations' ability to use inner details and their digital procurement capabilities was not discovered. This means analytical features, which increase organizational understanding of the efficiency of inner processes, do not function as drivers for the improvement of digital procurement abilities. This plays a role in the debate regarding causal associations between organizational and dynamic abilities.

✓ Conclusion four – outside data analytics abilities have a good, immediate effect on electronic procurement abilities. The electronic procurement ability mediated the good effect of outside data analytics on SC efficiency. The results suggest that outside data analytics features, like big data, strengthen a firm's electronic procurement ability. Even though the level of utilization of outside market related details did not have a statistically significant influence on supply chain performance, the outside analytics ability had a significant influence on electronic procurement abilities. This realization supports earlier arguments about the shift in focus to dynamic rather than organizational abilities in the situation of digitalized SCM.

6.2. Managerial implications

Out of the managerial view, the findings highlight the benefits of increasing information from gathered information and digitalized procedures. Managers should focus on information utilization strategies to improve the operational functionality expected from the digitalization of supply chain activities. Particularly, managers have to think about exploiting information through new innovative approaches in electronic procurement operations. In summary, from an operative viewpoint, supply chain digitalization needs satisfactory details utilization plans at the best management level to outperform traditional tasks. As supply chain information is scattered in numerous locations in businesses, it is essential to cultivate the ability to find the proper sources of information, obtain this information instantly to help data analytics, and be ready to use it in decision-making. A prerequisite for using both internal and external information is that the information must be of a type which can be combined. In companies, attention should therefore be given to enhancing the reliability of information content, as it is a prerequisite for using information. This study showed distinct potential for combining information relevant to the procurement process and external analytics. For instance, these kinds of development locations might be in terminology of supplier market information, the place where the market will offer good information on changes in the provider field to allow for sourcing choices.

6.3. Limitations

This study gives empirical proof of the sample, which is composed of respondents from the representatives of the international manufacturing businesses operating in America. This could affect the outcomes. While a large proportion of these businesses operate worldwide, organizations from an additional geographic public might have varying ability sets and materials in external and internal SCA. The sample size and response rate are sufficient for the statistical analysis. However, the sample focused on vendors in the manufacturing method segment, and, therefore, does not have businesses representing most manufacturing sectors. Because of this, additional research on the job of internal and external data analytics abilities and electronic procurement capability is urged to validate the associations with larger samples covering several industries.

The maturity of data analytics utilization is, assumedly, still in the first stages of advancement, and consequently new research and construct pieces will probably be created for examining data analytics in the supply chain. The present analysis focused on electronic procurement abilities in the purchasing process. Nevertheless, the essential role of outside data analytics found in the study indicates that the wider framework of need and method integration will be the subsequent context to explore electronic transformation of SCM. For example, fascinating avenues are studying the job of platforms plus information integration, as the transfer and aggregation of information between various platforms in supply chains appears to be a crucial driver of competitiveness in supply chains. Additionally, explorative analysis is required on the options of new emerging solutions dependent on artificial intelligence in the automatization of tracking down procedures.

References

1. Babar, M., Arif, F. (2019), *Real-Time Data Processing Scheme Using Big Data Analytics in Internet of Things Based Smart Transportation Environment*, Journal of Ambient Intelligence and Humanized Computing, No. 10, pp. 4167-4177, <https://doi.org/10.1007/s12652-018-0820-5>.
2. Balbin, P.P., Barker, J.C., Leung, C.K., Tran, M., Wall, R.P., Cuzzocrea, A. (2020), *Predictive Analytics on Open Big Data for Supporting Smart Transportation Services*, Procedia Computer Science, Vol. 176, pp. 3009-3018, <https://doi.org/10.1016/j.procs.2020.09.202>.
3. Chae, S., Choi, T.Y., Hur, D. (2017), *Buyer Power and Supplier Relationship Commitment: A Cognitive Evaluation Theory Perspective*, Journal of Supply Chain Management, Vol. 53, No. 2, pp. 39-60.
4. Gohar, M., Muzammal, M., Rahman, A.U. (2018), *SMART TSS: Defining Transportation System Behavior Using Big Data Analytics in Smart Cities*, Sustainable Cities and Society, Vol. 41, pp. 114-119, <https://doi.org/10.1016/j.scs.2018.05.008>.
5. Hao, S., Zhang, H., Song, M. (2019), *Big Data, Big Data Analytics Capability, and Sustainable Innovation Performance*, Sustainability, Vol. 11, No. 24.
6. Hussein, W.N., Kamarudin, L.M., Hussain, H.N., Zakaria, A., Ahmed, R.B., Zahri, N.A.H. (2018), *The Prospect of Internet of Things and Big Data Analytics in Transportation System*, Journal of Physics: Conference Series, Vol. 1018, <https://doi.org/10.1088/1742-6596/1018/1/012013>.
7. Jahan, S.A., Sazu, M.H. (2022a), *Role of IoTs and Analytics in Efficient Sustainable Manufacturing of Consumer Electronics*, International Journal of Computing Sciences Research, No. 6, <https://doi.org/10.25147/ijcsr.2017.001.1.105>.
8. Jahan, S.A., Sazu, M.H. (2022b), *The Impact of Data Analytics on High Efficiency Supply Chain Management*, CECCAR Business Review, No. 7, pp. 62-72, <https://doi.org/10.37945/cbr.2022.07.07>.
9. Kayser, V., Nehrke, B., Zubovic, D. (2018), *Data Science as an Innovation Challenge: From Big Data to Value Proposition*, Technology Innovation Management Review, Vol. 8, No. 3, pp. 16-25.

10. Keskar, V., Yadav, J., Kumar, A. (2022), *Perspective of Anomaly Detection in Big Data for Data Quality Improvement*, Materials Today: Proceedings, Vol. 51, No. 1, pp. 532-537, <https://doi.org/10.1016/j.matpr.2021.05.597>.
11. Lee, H.L. (2018), *Big Data and the Innovation Cycle*, Production and Operations Management, Vol. 27, No. 9, pp. 1642-1646.
12. Lee, J., Kao, H.-A., Yang, S. (2014), *Service Innovation and Smart Analytics for Industry 4.0 and Big Data Environment*, Procedia CIRP, Vol. 16, pp. 3-8, <https://doi.org/10.1016/j.procir.2014.02.001>.
13. Montoya-Torres, J.R., Moreno, S., Guerrero, W.J., Mejía, G. (2021), *Big Data Analytics and Intelligent Transportation Systems*, IFAC-PapersOnLine, Vol. 54, No. 2, pp. 216-220, <https://doi.org/10.1016/j.ifacol.2021.06.025>.
14. Morabito, V. (2015), *Managing Change for Big Data Driven Innovation*, Big Data and Analytics, Springer, pp. 125-153.
15. Nguyen, T., Zhou, L., Spiegler, V., Ieromonachou, P., Lin, Y. (2018), *Big Data Analytics in Supply Chain Management: A State-of-the-Art Literature Review*, Computers & Operations Research, Vol. 98, pp. 254-264, <https://doi.org/10.1016/j.cor.2017.07.004>.
16. Niebel, T., Rasel, F., Viète, S. (2019), *BIG Data – BIG Gains? Understanding the Link Between Big Data Analytics and Innovation*, Economics of Innovation and New Technology, Vol. 28, No. 3, pp. 296-316, <https://doi.org/10.1080/10438599.2018.1493075>.
17. Sazu, M.H., Jahan, S.A. (2022a), *How Big Data Analytics Impacts the Retail Management on the European and American Markets?*, CECCAR Business Review, No. 6, pp. 62-72, <https://doi.org/10.37945/cbr.2022.06.07>.
18. Sazu, M.H., Jahan, S.A. (2022b), *Impact of Big Data Analytics on Business Performance*, International Research Journal of Modernization in Engineering Technology and Science, Vol. 4, No. 3, pp. 367-378.
19. Sazu, M.H., Jahan, S.A. (2022c), *Impact of Big Data Analytics on Distributed Manufacturing: Does Big Data Help?*, Journal of Process Management and New Technologies, Vol. 10, No. 1-2, pp. 70-81, <https://doi.org/10.5937/jpmnt10-37793>.
20. Sazu, M.H., Jahan, S.A. (2022d), *The Impact of Big Data Analytics on Supply Chain Management Practices in Fast Moving Consumer Goods Industry: Evidence from Developing Countries*, International Journal of Business Reflections, Vol. 3, No. 1, <https://doi.org/10.56249/ijbr.03.01.30>.
21. Tortorella, G.L., Marodin, G.A., Miorando, R.F. (2017), *Lean Supply Chain Management: Empirical Research on Practices, Contexts and Performance*, International Journal of Production Economics, No. 193, pp. 98-112.
22. Trabucchi, D., Buganza, T. (2018), *Data-Driven Innovation: Switching the Perspective on Big Data*, European Journal of Innovation Management, Vol. 22, No. 1, pp. 23-40, <https://doi.org/10.1108/EJIM-01-2018-0017>.
23. Williams, B.D., Roh, J., Tokar, T., Swink, M. (2013), *Leveraging Supply Chain Visibility for Responsiveness: The Moderating Role of Internal Integration*, Journal of Operations Management, Vol. 31, pp. 543-554.
24. Wise, J. (2022), *How Much Data Is Created Everyday in 2022?*, <https://earthweb.com/>.
25. Wright, L.T., Robin, R., Stone, M., Aravopoulou, D.E. (2019), *Adoption of Big Data Technology for Innovation in B2B Marketing*, Journal of Business-to-Business Marketing, Vol. 26, No. 3-4, pp. 281-293, <https://doi.org/10.1080/1051712X.2019.1611082>.
26. Yang, C., Huang, Q., Li, Z., Liu, K., Hu, F. (2017), *Big Data and Cloud Computing: Innovation Opportunities and Challenges*, International Journal of Digital Earth, Vol. 10, No. 1, pp. 13-53, <https://doi.org/10.1080/17538947.2016.1239771>.
27. Zhu, L., Yu, F.R., Wang, Y., Ning, B., Tang, T. (2019), *Big Data Analytics in Intelligent Transportation Systems: A Survey*, IEEE Transactions on Intelligent Transportation Systems, Vol. 20, No. 1, pp. 383-398, <https://doi.org/10.1109/TITS.2018.2815678>.