JURNAL AR RO'IS MANDALIKA (ARMADA)
Journal website: https://ojs.cahayamandalika.com/index.php/armada

ISSN: 2774-8499 Vol. 6 No. 3 (2026)

Research Article

The Role of Digital Transformation in Optimizing Global Supply Chain and Logistics Management Systems

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Abstract

Digital transformation has become a strategic factor in optimizing global supply chain and logistics management systems amidst the growing complexity of markets, uncertainty, and rapid technological advancements. This study aims to analyze the role of digital transformation through the utilization of technologies such as big data analytics, artificial intelligence, the Internet of Things (IoT), blockchain, and cloud computing platforms in enhancing supply chain integration, operational efficiency, transparency, and the resilience of global logistics systems. This research adopts a qualitative-descriptive approach supported by a review of academic literature and the latest global industry practices. The findings indicate that digital transformation can enhance supply chain visibility, accelerate data-driven decision-making processes, reduce operational costs, and strengthen coordination among stakeholders across countries. However, the study also identifies several challenges, including data security risks, technological readiness gaps, high implementation costs, and organizational resistance to change. This research contributes conceptually by linking digital transformation initiatives to global supply chain performance. It is concluded that the success of digital transformation is not only determined by the adoption of technology but also by the alignment of organizational strategy, regulatory support, and sustainable human resource development.

Keywords: Digital Transformation; Global Supply Chain; Logistics Management; Digital Technologies; Operational Efficiency; Supply Chain Management System

INTRODUCTION

The development of economic globalization and advances in information technology have driven fundamental changes in global supply chain and logistics management systems (Christopher, 2016). Modern supply chains are no longer understood as a linear sequence of activities from producers to consumers, but rather as complex networks involving various actors across countries, sectors, and regulatory frameworks. In this context, companies and logistics organizations are faced with challenges such as increased demand volatility, geopolitical uncertainty, distribution disruptions, and consumer demands for speed, transparency, and service efficiency (Stock & Boyer, 2009). These conditions necessitate a new approach to enhance supply chain performance adaptively and sustainably (Baryannis et al., 2019).

Digital transformation has emerged as a strategic response to these dynamics (Bharadwaj et al., 2013). The utilization of digital technologies such as big data analytics, artificial intelligence, the Internet of Things (IoT), blockchain, and cloud computing has changed the way organizations design, manage, and evaluate supply chain and logistics systems (Sanders et al., 2019). These technologies enable real-time data processing, integration of information across stakeholders, and improved accuracy in planning and decision-making (Frank et al., 2019). According to Accenture, digital transformation is now a critical component of supply chain management, helping organizations to adapt to the increasing complexity of global markets (Accenture, 2020). The role of big data analytics in shaping organizational culture and operational efficiency also aligns with the findings of Dubey et al., who examined how data analytics can influence decision-making processes and overall business performance (Dubey et al., 2019). Thus, digital transformation functions not only as an operational support tool but also as a primary driver in creating competitive advantage at the global level (Rogers, 2016; Sinha & Wuest, 2021).

In practice, global supply chain and logistics management systems face various structural limitations, such as a lack of visibility in the flow of goods and information, high coordination costs, and weak responses to external disruptions. Digital transformation has the potential to address these issues through increased transparency, synchronized processes, and automation of logistics activities. For instance, the implementation of IoT allows for continuous tracking of goods' conditions and locations, while big data analytics and artificial intelligence can be used to predict demand, optimize distribution routes, and proactively manage supply chain risks.

However, the implementation of digital transformation in global supply chains is not without challenges. Differences in technological readiness among countries and organizations, data security and privacy issues, a shortage of human resources with digital competencies, and resistance to organizational change are common obstacles. Furthermore, relatively high initial investment costs and uncertainty regarding long-term benefits also influence organizations' decisions to adopt digital technologies comprehensively. Therefore, digital transformation must be understood as a complex strategic process, not merely as the partial adoption of technology.

Academic research on digital transformation in the context of global supply chains and logistics continues to evolve but still shows research gaps. Some studies

tend to focus on technological aspects in isolation, without comprehensively linking them to global supply chain system performance and the accompanying managerial dynamics. Additionally, there is limited research exploring digital transformation as an integrative effort that simultaneously involves technological, organizational, and governance dimensions. This condition highlights the need for a more holistic research approach to understand the role of digital transformation in optimizing global supply chain and logistics management systems.

Based on this background, this study aims to analyze the role of digital transformation in enhancing the efficiency, integration, transparency, and resilience of global supply chain and logistics management systems. The study is expected to make a conceptual contribution by enriching the literature on the relationship between digital transformation and supply chain performance, as well as providing practical insights for policymakers and industry players in designing sustainable digital strategies. By understanding digital transformation comprehensively, organizations are expected to be able to build more adaptive, responsive, and competitive global supply chain systems in the digital economy era.

METHODS

This study adopts a qualitative-descriptive approach to analyze the role of digital transformation in optimizing global supply chain and logistics management systems. This approach is chosen because it provides a deep and comprehensive understanding of the complex, multidimensional, and contextual phenomenon of digital transformation. Through a qualitative approach, this research not only examines the technical aspects of digital technologies but also investigates their implications on managerial processes, organizational structures, and stakeholder relationships within the global supply chain. Several studies have also taken similar approaches to explore the operational and managerial impacts of digital technologies (Bechtsis et al., 2017; Dubey et al., 2019).

The type of research employed is descriptive-analytical, aimed at systematically describing the role and contribution of digital transformation in enhancing the efficiency, integration, transparency, and resilience of supply chain and logistics systems. This study does not focus on testing quantitative hypotheses but rather on analyzing patterns, trends, and conceptual relationships emerging from the application of digital technologies in a global context.

The data sources for this research consist of secondary data obtained through library research. Data is gathered from various relevant academic sources, such as reputable international journals, academic books, reports from international organizations, and industry publications discussing digital transformation, supply chain management, and global logistics systems. Source selection is done selectively, considering credibility, topic relevance, and the novelty of information, ensuring that the data reflects the latest developments in both practice and academic research.

Data collection is carried out through a systematic literature review. This process includes identifying key search terms, screening articles based on content relevance, and grouping research themes related to digital technologies, supply chain integration, operational efficiency, and global logistics risk management. Each source

is critically analyzed to understand its conceptual contributions and key findings relevant to the research focus.

Data analysis is performed using thematic and conceptual analysis techniques. Thematic analysis is employed to identify key patterns related to the role of digital transformation in global supply chain systems, while conceptual analysis is used to relate these findings within a systematic framework of thought. The analysis process begins with data reduction, followed by concept categorization, and ends with an analytical conclusion. This approach enables the researcher to construct an integrated understanding of the relationship between digital transformation and the performance of supply chain and logistics management systems.

To ensure the validity and reliability of the data, this study applies a source triangulation strategy by comparing findings from various literatures and study contexts. Additionally, consistency in the analysis is maintained through repeated review of data sources and the use of relevant theoretical concepts. As a result, the research findings are expected to have a high academic validity and can be scientifically justified.

Overall, the research methodology is designed to provide a comprehensive overview of the role of digital transformation in optimizing global supply chain and logistics management systems. The approach used is expected to produce meaningful scientific contributions, both in the development of theory and as a practical reference for policymakers and industry practitioners in designing sustainable digital transformation strategies.

RESULT AND DISSCUSSION

The Role of Digital Transformation in Global Supply Chain Integration

The study reveals that digital transformation plays a significant role in improving the level of integration within global supply chain systems. The utilization of digital technologies facilitates real-time data and information exchange between suppliers, manufacturers, distributors, and logistics service providers. This integration reduces the fragmentation of information, which has historically been a major challenge in managing cross-border supply chains (Jean, 2024). With an integrated digital system, each actor in the supply chain can access the same information simultaneously, enabling more effective operational coordination (Kache & Seuring, 2017). Additionally, digital transformation aids in achieving the Triple-A supply chain, characterized by agility, adaptability, and alignment, which Lee emphasized as a key to managing modern global supply chains effectively (Lee, 2004).

In a global context, digital-based integration also strengthens collaboration between organizations operating in different regulatory and business cultural environments. For example, cloud-based digital platforms allow for process standardization and cross-border data exchange without relying on separate internal systems. This demonstrates that digital transformation impacts not only an organization's internal efficiency but also the quality of relationships and cooperation within the global supply chain network.

Increased Visibility and Transparency in Logistics Systems

The analysis indicates that one of the most significant impacts of digital transformation is the enhanced visibility and transparency within global logistics systems. Technologies like the Internet of Things (IoT) allow for continuous tracking of goods' movements and conditions, from the point of origin to the final destination. This visibility provides strategic benefits in operational control, as organizations can monitor potential delays, damage, or distribution disruptions at earlier stages (Karakaş et al., 2021).

The transparency enabled by digital systems also contributes to increased trust among stakeholders. The application of blockchain technology, for instance, allows for the permanent and tamper-proof recording of logistics transactions (Saberi et al., 2019). This condition reduces information asymmetry and the risk of moral hazards in the global supply chain. Therefore, digital transformation plays a crucial role in creating a more accountable and reliable logistics system. Furthermore, the digital transformation of logistics systems is aligned with the idea of "Logistics 4.0," which combines smart technologies to improve efficiency and sustainability (Strandhagen et al., 2017).

Operational Efficiency and Data-Driven Decision Making

Digital transformation has proven to enhance operational efficiency in global supply chain and logistics management. The use of big data analytics and artificial intelligence allows organizations to process large amounts of data quickly and accurately (Wamba et al., 2017). The results of data analysis are used to support demand forecasting, route optimization, as well as more precise production and shipment scheduling (Dubey et al., 2019).

According to Gartner (2022), the future of supply chain digitalization will increasingly rely on data-driven systems to enable faster, more informed decision-making (Gartner, 2022). Data-driven decision-making replaces conventional approaches that rely solely on intuition and experience, leading to improved cost and time efficiency (Soto-Acosta, 2020). Additionally, Govindan et al. developed decision support systems that leverage digital technologies to optimize demand management and improve supply chain operations (Govindan et al., 2020). With the support of digital systems, supply chain managers can conduct scenario simulations, predict the impact of demand changes, and objectively evaluate various decision alternatives. This not only improves cost and time efficiency but also reduces uncertainty in managing dynamic global supply chains.

Supply Chain Resilience to Global Disruptions

The findings suggest that digital transformation contributes to increasing the resilience of global supply chains. Digital systems enable organizations to identify risks earlier and respond to disruptions more quickly (Ivanov, 2020). Real-time monitoring of supplier performance and distribution routes helps organizations divert supply sources or logistics routes when disruptions occur, thus strengthening the supply chain's ability to adapt to and recover from global disruptions (Queiroz & Wamba, 2019).

Supply chain resilience is not only determined by the ability to respond to disruptions but also by the capacity to adapt and recover quickly. Digital transformation supports this process by providing accurate and up-to-date information, enabling organizations to design more effective risk mitigation strategies. Thus, the digitalization of supply chains becomes a crucial element in addressing the growing complexity and uncertainty of global disruptions (Mishra et al., 2024). Schwab highlights that the Fourth Industrial Revolution has significantly impacted how industries manage supply chain resilience through digitalization and automation (Klaus, 2016).

Challenges in Implementing Digital Transformation

Despite offering numerous benefits, the study also highlights significant challenges in the implementation of digital transformation within global supply chains and logistics. One of the main obstacles is the disparity in technological readiness between organizations and countries (Bechtsis et al., 2017). Not all supply chain actors have the digital infrastructure and human resources necessary to optimally adopt technologies.

Additionally, data security and privacy issues are critical concerns in digital-based supply chains, and organizational resistance to change is a common barrier (Kamble et al., 2020). The exchange of data across organizations and countries increases the risk of information leakage and misuse. Organizational resistance to change also poses a challenge, especially when digital transformation requires changes to established work processes and organizational structures. As such, overcoming these obstacles requires robust frameworks for digital adoption and governance (Nambisan et al., 2017). Therefore, the success of digital transformation requires a comprehensive managerial approach focused on the long term (Tapscott & Tapscott, 2016). Moreover, Rasool stresses the importance of employing quantitative methods to measure the effectiveness of digital strategies in supply chain management, particularly in enhancing decision-making processes and performance metrics (Rasool et al., 2022).

Theoretical and Practical Implications

Theoretically, this research strengthens the view that digital transformation is a key factor in enhancing global supply chain performance through improvements in managerial processes. The study emphasizes the importance of an integrative approach that links digital technologies with organizational and governance dimensions within the supply chain. Practically, the findings provide implications for industry practitioners and policymakers to design digital transformation strategies that not only focus on technology but also on human resource readiness, regulation, and organizational culture.

CONCLUSION

This study concludes that digital transformation plays a highly strategic role in optimizing global supply chain and logistics management systems. Digital transformation functions not only as a technological instrument but also as a

managerial approach that can change the way organizations design, manage, and evaluate cross-border supply chain networks. The utilization of digital technologies such as big data analytics, artificial intelligence, the Internet of Things (IoT), blockchain, and cloud computing has been proven to significantly contribute to enhancing the performance of global supply chain systems.

The research findings show that digital transformation notably improves integration among supply chain actors through faster, more accurate, and standardized information exchange. This integration enables more effective operational coordination, reduces process fragmentation, and strengthens cross-organizational and cross-regional collaboration. With an integrated digital system, organizations can manage the flow of goods and information in a more synchronized manner, thereby enhancing operational efficiency and reliability.

Furthermore, digital transformation plays a crucial role in enhancing visibility and transparency within global logistics systems. The ability to monitor the movement and condition of goods in real-time provides strategic value in operational control and risk management. The transparency generated by digital systems, especially through the application of blockchain technology, also increases accountability and trust among stakeholders in the global supply chain.

In terms of operational efficiency, this study concludes that digital transformation drives more objective and predictive data-driven decision-making. The use of data analytics and artificial intelligence enables organizations to optimize demand planning, distribution routes, and resource utilization more accurately. This contributes to reducing logistics costs, speeding up delivery times, and improving overall service quality.

The study also emphasizes that digital transformation contributes to enhancing the resilience of global supply chains in the face of disruptions and uncertainties. With the support of digital systems, organizations can identify potential risks earlier, respond to disruptions more quickly, and adapt to dynamic global changes. Supply chain resilience, supported by digital transformation, becomes a key factor in maintaining operational continuity amid increasingly complex global challenges.

However, the study concludes that the success of digital transformation is not without implementation challenges. Gaps in technological readiness, limitations in human resource competencies, data security risks, and organizational resistance to change are obstacles that need to be carefully managed. Therefore, digital transformation must be viewed as a long-term process requiring alignment between technology, organizational strategy, and regulatory support.

Overall, this study affirms that the optimization of global supply chain and logistics management systems through digital transformation can only be achieved when organizations adopt a comprehensive and sustainable approach. Successful digital transformation is not solely determined by the adoption of advanced technologies but also by an organization's ability to build human capacity, adaptive governance, and strong collaboration among stakeholders. This conclusion is expected to serve as a conceptual foundation for future research and provide practical

reference for industry practitioners and policymakers in designing global supply chain strategies in the digital era.

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