

Influence of Radio Frequency Identification Technology at Cost of Supply Chain as a Driver for the Generation of Competitive Advantage

Authors : Mona Baniahmadi, Saied Haghanifar

Abstract : Radio Frequency Identification (RFID) is regarded as a promising technology for the optimization of supply chain processes since it improves manufacturing and retail operations from forecasting demand for planning, managing inventory, and distribution. This study precisely aims at learning to know the RFID technology and at explaining how it can concretely be used for supply chain management and how it can help improving it in the case of Hejrat Company which is located in Iran and works on the distribution of medical drugs and cosmetics. This study uses some statistical analysis to calculate the expected benefits of an integrated RFID system on supply chain obtained through competitive advantages increases with decreasing cost factor. The study investigates how the cost of storage process, labor cost, the cost of missing goods, inventory management optimization, on-time delivery, order cost, lost sales and supply process optimization affect the performance of the integrated RFID supply chain regarding cost factors and provides a competitive advantage.

Keywords : cost, competitive advantage, radio frequency identification, supply chain

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