

How Blockchain Will Revolutionize the Supply Chain Industry

Supply chain management isn't easy, and that's true whether you're running a small business or a big company. Once you've made a list of your sales partners, vendors, suppliers, manufacturers and other stakeholders, your supply chain looks like a complicated web, often lacking transparency and efficiency. And it gets worse once you start doing business in international countries.

The problems in supply chain management are so apparent that [a lot of businesses](#) make it their mission to speed up the process. They leverage artificial intelligence, advanced analytics and robots. While these technologies are certainly innovative, blockchain has the most potential to change the game.

For starters, [blockchain](#) is defined as an encrypted ledger or database platform in which transactions made in bitcoin or another cryptocurrency are recorded chronologically in an open virtual space. It enables users to store and share information (i.e. transactions) in real-time.

Decentralization is one of the key characteristics of a blockchain. It means that no single user controls the shared information. And the data can be inspected and verified by the public. This makes blockchain one of the best platforms for record-keeping and collaboration for businesses.

You can probably imagine how using blockchain can significantly improve your supply chain, but if you need a clearer picture, then read the following benefits:

More visibility in global trade

Global trade involves a lot of intermediaries, trucking companies and agents with their own agendas and interests. In fact, [Maersk found](#) that a shipment of refrigerated goods from East Africa to Europe can include 30 people and organizations, with more than 200 different interactions and communication systems between each party.

Because blockchain functions as an incorruptible ledger that updates in real-time you can easily monitor your partners, improve transparency in the supply chain and find publicly verified supply chain stakeholders (i.e. intermediaries, trucking companies, factories) without each user having to share its operational secrets with the others.

Companies can use blockchain to track their cargo in real-time. They can see where the product is, how it's made and when it's packaged and shipped. They can also get information on the number of damaged goods and the accurate number of items that will be delivered to them.

Improved transparency

Consumers increasingly want to know the truth behind product labels such as "cruelty-free," "ethical" or "sustainable." Distributed ledgers in the blockchain-based system make it easy for people to find out where products are made and how they are managed.

Companies can also use these ledgers to find factories, truck companies and partners that pass quality standards. They can find quality inspection agency information, such as factory verification, container loading supervision, ingredient list inspection and circulation.

For example, [Betterkinds](#) created a decentralized reporting platform where companies, producers, suppliers and consumers can provide feedback about the conditions in factories.

Collaboration with relevant stakeholders

Blockchain makes it easy for companies to collaborate with all stakeholders such as manufacturers, suppliers, couriers and vendors. This is because it allows public and private entities—intermediaries, quality inspectors, government agencies, industrial organizations—to work together.

Businesses can manage disputes between parties in the supply chain or facilitate collaboration between suppliers and manufacturers. And governments and organizations can monitor stakeholders and ensure that they work within the laws and regulations to protect consumers and workers.

For example, big companies like [Dole](#), [Driscoll's](#), [Golden State Foods](#), [Kroger](#), [McCormick and Company](#), [McLane Company](#), [Nestlé](#), [Tyson Foods](#), [Unilever](#), and [Walmart](#) announced a blockchain collaboration with IBM to [ensure food safety](#) worldwide.

Getting started with blockchain

Blockchain technology is going to disrupt all industries, especially supply chain management. Eventually, businesses will be forced to use it to monitor and track each stakeholder in a much faster and more efficient pace. Of course, early adopters will reap the most rewards.

In the meantime, if you're interested in blockchain, then read as much as you can and keep an eye on. That way, you'll be prepared for the upcoming blockchain revolution.

<https://www.forbesmiddleeast.com/how-blockchain-will-revolutionize-the-supply-chain-industry>