MSW MANAGEMENT -Multidisciplinary, Scientific Work and Management Journal
ISSN: 1053-7899
Vol. 36 Issue 1, 2026, Pages 5076-5081

Efficiency Differences Between Traditional and Digital Supply Chain Practices: A Mann–Whitney U Test Analysis

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Abstract
The shift in the supply chain system of the traditional, linear-based supply chain systems towards digitally integrated networks has radically transformed the aspects of efficiency and operational performance avenues of organizations. This paper will compare the efficiency of the traditional and digital supply chain practices with the help of a quantitative comparative approach. In particular, it uses the non-parametric statistical test, the Mann-Whitney U, to compare the differences between two independent samples of firms that use different supply chain models. One of the empirical research designs that was adopted was pilot-based, which depended on the data collected on 120 supply chain professionals in the manufacturing, retail, and logistics industries. They were evaluated in four dimensions: efficiency of delivery time, cost efficiency, responsiveness, and error reduction. It had to be measured using a standardized 10-point Likert scale that would enable the measurement of performance to be similar and consistent across organizations. The results indicate that the traditional and digital supply chains have statistically significant differences in all the efficiency dimensions ($p < 0.05$). The responsiveness and reduction of errors in the performance of the firms implementing the digital supply chain practices are much higher, which underlines the value of real-time data integration, automation, and predictive analytics. The analysis of the effect sizes also supports the fact that these differences are not just statistically significant but also practical. The research adds to the body of literature as it presents sound empirical findings based on a non-parametric method of analysis, which has eliminated methodological shortcomings in the previous research based on parametric assumptions. It also provides practitioners with practical insights to improve the efficiency of their supply chain with the help of digital transformation. The research is founded on an initial empirical sample of 120 supply chain experts that offers expert-led understanding of the differences in operational performances.
Keywords: digital supply chain, traditional supply chain, efficiency, Mann–Whitney U test, supply chain performance, digital transformation

1. Introduction

The nature of supply chain management has been changing rapidly in the last few decades, following globalization, technological changes, and customer expectations. In the past, supply chains were structured as linear systems where there were chain flows of goods, information, and finances. These systems were based on manual coordination, data sharing, and reactive decision-making processes (Christopher, 2016). These models did not have issues with the relatively stable environment, but they were likely to collapse when handling demand variability, market variability, and increased complexity. The advent of digital technologies has completely changed the structures and the functioning of the supply chains. Digital supply chains are the integration of current technologies, such as artificial intelligence (AI), the Internet of Things (IoT), cloud computing, and blockchain, to provide real-time data visibility, predictive analytics, and automatic decision-making (Ivanov et al., 2019; Wamba et al., 2020). The interconnectedness and dynamism of digital supply chains are unlike traditional systems, which allow organizations to be proactive in responding to disruptions and emerging customer needs. This change has been particularly gigantic in terms of global shocks, where agility and resilience have been key measures of performance. In supply chain management, efficiency has been a major issue of concern, given that it directly determines the competitiveness and profitability of the organization. It is a multidimensional variable that involves cost-efficiency, speed of delivery, responsiveness, and accuracy in operations (Gunasekaran et al., 2004). Conventional supply chains are not always able to enable high efficiency in the supply chain because of the lack of transparency and delays in information flow, which may lead to high operational costs and extended lead times. Digital supply chains, in turn, utilize real-time information and automation to streamline operations, minimize redundancy, and increase performance (Queiroz et al., 2019).

Although digital supply chain practices are becoming more popular, there are fewer empirical comparisons between digital and traditional supply chains. Current literature tends to use qualitative evaluations or descriptive statistics, which might not stand out as strong indicators of performance variation. Also, a vast majority of quantitative studies use parametric statistical methods that assume normal distribution and homogeneity of variance, which are often not satisfied by actual supply chain data (Field, 2018). This leaves a gap in methodology in the literature, as the alternative analytical approaches are necessary. In order to overcome this shortcoming, the current research paper takes a non-parametric statistical test, namely the Mann-Whitney U test, to compare the level of efficiency between the traditional and the digital supply chain. The test is more applicable when analyzing ordinal data and does not assume that the data is normally distributed; it can be used in the assessment of performance measures in Likert scales. Through this method, the research will be able to give more valid and generalizable results about the differences in efficiency of the supply chain. The main aim of this study will be to investigate whether digital supply chains are much more efficient than traditional supply chains in the major performance dimensions. By so doing, the study also aims to define which elements of efficiency (responsiveness or reduction of errors) are the most affected by the digital transformation. This is beneficial not only to academic discourse but also to managerial decision-making since it offers evidence-based information about the advantages of implementing digital technologies.

Based on these objectives, the study addresses the following research questions:

1. Do digital supply chains exhibit higher efficiency compared to traditional supply chains?
2. Which efficiency dimensions show the most pronounced differences between the two systems?
3. Are the observed differences statistically significant when analyzed using a non-parametric approach?

Through a methodical exploration of these issues, this research will help fill the gap in the conceptual deliberations about digital transformation and empirical confirmation, providing a deeper insight into the effect of technological integration on supply chain performance.

2. Literature Review

The increasing complexity of international markets has added to the academic fascination with the way in which various supply chain arrangements affect the performance of organizations. The section is a critical review of the literature on traditional and digital supply chains, important efficiency dimensions, comparative performance research studies, and the use of non-parametric statistical analysis in management research.

2.1 Traditional Supply Chain Characteristics: The conventional supply chains are typically organized into linear systems that have functional segmentation and procurement, production, warehousing, and distribution work that are relatively isolated. There is also a tendency to cause delay and distortion in information flow in such systems, which causes inefficiency in the form of excess inventory, stockouts, and amplifying demand, often known as the bullwhip effect (Lee et al., 1997). The use of historical data and manual forecasting mechanisms increases these inefficiencies because they restrict the ability to respond to real-time changes in the market. In addition, the traditional supply chains have low visibility levels across various levels of operations. Such a lack of transparency will limit the coordination between the stakeholders and lead to suboptimal decisions in most cases (Simchi-Levi et al., 2008). Although these systems can provide stability within predictable settings, they do not work well in dynamic settings where agile and quick adaptation are needed.

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2.2 Digital Supply Chain Technologies: Online supply chains are a paradigm shift from the stagnant, linear systems to dynamic and interconnected networks. The implementation of modern technologies allows real-time data exchange, predictive analytics, and automated decision-making. The artificial intelligence (AI) helps to improve the accuracy of demand forecasting and manage the inventory, which is intelligent, and the Internet of Things (IoT) enables goods and assets to be tracked in real-time (Wamba et al., 2020). Cloud computing also facilitates easy sharing of data among the stakeholders who are geographically separated and enhances cooperation and coordination. The extra level of transparency and protection that blockchain technology provides is an indelible record of transactions, which is particularly beneficial in multi-level supply chains (Saberi et al., 2019). All these technologies result in greater visibility, traceability, and operational control. However, there are no difficulties in the process of adopting digital supply chains. Potential barriers to successful integration include prohibitive implementation, complex technological aspects, and change of the organization (Ivanov et al., 2019). However, despite these challenges, the possible efficiency and resilience benefits have led to the emergence of immense interest in digital transformation.

2.3 Efficiency Dimensions in Supply Chains: Supply chain management efficiency is a complex notion that comprises a number of performance dimensions. Cost efficiency is the capacity to reduce operational costs and still deliver quality service. The efficiency of delivery time is aimed at minimizing the lead times and ensuring the delivery of orders on time. Responsiveness refers to the ability to respond swiftly to the fluctuation of demand and market variations, whereas error reduction refers to the reduction of mistakes in order processing, inventory, and logistics operations (Gunasekaran et al., 2004). These dimensions are connected with each other and are used to define the performance of a supply chain in general. As an example, better customer satisfaction can be achieved through enhanced responsiveness, whereas fewer errors can result in lower costs and operational stability. According to the literature, digital supply chains are in a better position to maximize these dimensions because of their data-oriented nature and capabilities to automate (Christopher, 2016).

2.4 Comparative Performance Studies: An emerging body of literature has made comparisons of traditional and digital supply chains, which tend to agree that digital systems deliver better performance results. Indicatively, Queiroz et al. (2019) discovered that digital technologies have a great impact on supply chain agility and resilience, especially during disruptions. Likewise, Dubey et al. (2020) revealed that the organizations that go digital have enhanced operational efficiency and less uncertainty. Nonetheless, a good part of these research works is based on qualitative research or case studies, which restricts the ability to generalize the results. Parametric tests like t-tests or regression analysis are used to analyze quantitative data, and are not always applicable to the real-world context, as they assume that the data is normally distributed (Field, 2018). This casts doubts on the strength of conclusions made based on such analyses. Moreover, the current literature is more inclined to the analysis of specific technologies and not the overall effect of digital integration of the supply chain. Research that simultaneously studies several dimensions of efficiency and offers statistically rigorous comparisons of traditional and digital systems is needed.

2.5 Mann–Whitney U Test in Management Research: The Mann-Whitney U test is a form of non-parametric test that is applied to test the difference between two independent groups of data whose data is not in agreement with the parametric tests. It is also especially appropriate with ordinal data and skewed distributions, which are typical of management research (Field, 2018). The test ranks the observations and tests the difference in the distributions of the two groups. The Mann-Whitney U test has been used in supply chain research to make comparisons of performance measures among various organizational practices and the level of technology adoption. Its strength and adaptability render it useful in examining the differences in efficiency without the need to make rigid assumptions of normality (Siegel & Castellan, 1988).

2.6 Critical Synthesis and Research Gap: The literature review demonstrates that there is a conjecture that digital supply chains can be more beneficial than traditional systems. Digital technologies improve visibility, coordination, and decision-making, resulting in increased efficiency on various levels. Nevertheless, there is still a significant empirical gap in a study that uses non-parametric techniques to confirm these differences. The majority of the current literature is not statistically rigorous or uses methodologies that might not be suitable for supply chain data. Furthermore, little research has concurrently studied various efficiency aspects from a single analysis perspective. This paper fills these gaps using the Mann-Whitney U test to compare traditional and digital supply chains on four variables that are important in measuring efficiency. Through this, it will help in the methodological development as well as the practical insight into the supply chain performance in the digital era.

3. Research Methodology

This paper takes the pilot empirical research design with expert-based data to test the efficiency difference between traditional and digital supply chain practices. The quantitative, cross-sectional design is used to provide systematic comparison and statistical validation of the performance differences between supply chain models. The design allows gathering informed and practice-driven knowledge of professionals directly engaged in the supply chain operations.

3.1 Research Design: To study the difference in efficiency between two independent groups: the organizations that work under the traditional supply chain systems and the ones that utilize digital supply chain practices, the comparative cross-sectional research design was applied. The quantitative method can objectively measure the performance based on standardized measures, whereas the comparative structure enables direct analysis of the impact that alternative supply chain models have on efficiency outcomes. This design is specifically applicable in determining statistically significant differences between groups in a controlled analytical framework.

3.2 Sampling Technique and Sample Description: The research has utilized a purposive sampling strategy, which is a non-probability sampling method of the research to pick respondents with pertinent knowledge in supply chain operations. This will minimize the chances of the participants giving biased and unreliable assessments since they are well-informed. The sample would be made up of 120 respondents who are all professionals and are actively involved in supply chain and operations management in the field of manufacturing, retail, and logistics.

Respondent Profile

The interviewees will consist of people holding key positions, such as:

- Supply chain managers
- Operations managers
- Logistics coordinators
- Procurement specialists
- Planning executives and data analysts.

The roles would presuppose direct participation in the planning of the supply chain, supply chain performance, and monitoring, such that the information must reflect practical and experience-based knowledge. The sample will be made up of two equal groups based on the current supply chain system in their organizations:

- Traditional Supply Chain Firms (n = 60): Organizations based mostly on manual processes, little system integration, and reactive decision-making.
- Digital Supply Chain Firms (n = 60): Organizations that use advanced technologies, including artificial intelligence (AI), Internet of Things (IoT), cloud computing, and data analytics to run integrated supply chains.

Efforts were put in place to ensure that there was a balance of representation in terms of industry, firm size, and years of operation, thus increasing the comparability and minimizing the sampling bias.

MSW MANAGEMENT -Multidisciplinary, Scientific Work and Management Journal
ISSN: 1053-7899
Vol. 36 Issue 1, 2026, Pages 5076-5081

3.3 Variables and Measurement

The study evaluates supply chain efficiency across four key dimensions identified in prior literature:

1. Delivery Time Efficiency – the ability to fulfill orders within a minimal lead time
2. Cost Efficiency – the effectiveness in minimizing operational and logistics costs
3. Responsiveness – the capacity to adapt quickly to demand and supply fluctuations
4. Error Reduction – the extent to which operational inaccuracies are minimized

Each variable was measured using a 10-point Likert scale, where:
1 = Very Low Efficiency
10 = Very High Efficiency

This measurement approach enables standardized comparison while capturing nuanced expert evaluations of performance.

3.4 Data Collection Method

The survey was based on a structured survey tool designed to elicit expert opinions on the supply chain performance. All 120 interviewees were given the questionnaire, and their involvement in the supply chain was either in planning, implementation, or decision-making.

To be clear and consistent:

- All dimensions of efficiency were outlined before the data were collected.
- Respondents rated performance according to their organizational experience.
- All the variables had a uniform Likert scale.

The formatted survey method will guarantee uniformity of the answers and improve the comparability between organizations. Expert respondents also enhance the empirical validity of the study as they make sure that the data are informed and professional judgments and not general perceptions.

3.5 Hypotheses development

Based on the research objectives and literature, the following hypotheses were formulated:

- H0 (Null Hypothesis): There is no significant difference in efficiency between traditional and digital supply chains across the selected dimensions.
- H1 (Alternative Hypothesis): There is a significant difference in efficiency between traditional and digital supply chains across the selected dimensions.

These hypotheses are tested separately for each efficiency dimension to allow for detailed comparative analysis.

3.6 Justification for the Mann–Whitney U Test

Instead, the Mann-Whitney U test was chosen as the main analytical tool because of its applicability to ordinal data and the absence of any conditions related to the normal distribution. The independent samples t-test might not be suitable as the study will use Likert-scale measurements. The test is used to compare how the ranks are distributed in two independent groups and conclude whether or not there are any significant differences. It is especially suited to management research where the data may not be normal or skewed due to its strength.

3.7 Analytical Procedure

The analysis was conducted in two stages:

1. Descriptive Analysis

Mean scores and standard deviations were calculated for each efficiency dimension to provide an initial comparison between traditional and digital supply chains.

2. Inferential Analysis

The Mann-Whitney U test was used to determine the statistical significance of each variable. The following are the results obtained:

- Mann–Whitney U statistic
- Wilcoxon W statistic
- Z score (standard test statistic)
- p-value (significance level)

The significance level of $p < 0.05$ was adopted to determine whether the null hypothesis was rejected or not.

3.8 Reliability and Validity Considerations

In order to have method rigor:

- Reliability was determined with the help of Cronbach's alpha, which found that there was acceptable internal consistency among the variables.
- Content validity was attained through the use of well-known models of supply chain performance as the basis of the dimensions of efficiency selected.
- Factor analysis was also employed to justify construct validity that the variables measure one efficiency construct.
- The non-parametric method of analysis provided more statistical strength, minimizing the effect of restrictive assumptions.

4. Data Analysis and Results

This part introduces the results of the empirical research of the study through a mixture of descriptive and inferential methods of statistics. The analysis is designed in a way that it will give an exhaustive comparison between the traditional and digital supply chain in four dimensions of efficiency. Besides that, a demographic profile of the sampled firms is provided in order to put the dataset into perspective.

4.1 Demographic of Sample Firms.

It would be significant to understand the nature of the sampled firms to interpret the results and make the results representative. The sample consists of companies working in various industries and of different sizes.

Table 1: Demographic Characteristics of Sample Firms (N = 120)

Variable	Category	Frequency	Percentage (%)
Supply Chain Type	Traditional	60	50.0
	Digital	60	50.0
Industry Sector	Manufacturing	45	37.5
	Retail	40	33.3
	Logistics	35	29.2
Firm Size	Small	30	25.0
	Medium	50	41.7
	Large	40	33.3
Years of Operation	Less than 5 years	20	16.7
	5–10 years	45	37.5
	More than 10 years	55	45.8

The sample is evenly distributed between traditional and digital supply chains, ensuring comparability. A diverse representation across industries and firm sizes enhances the generalizability of the findings. Most firms have more than five years of operational experience, indicating a relatively mature sample.

4.2 Descriptive Statistics

Descriptive statistics provide an overview of efficiency performance across both groups.

Table 2: Descriptive Statistics

Group	N	Mean	Std. Deviation	Minimum	Maximum
Delivery Time Efficiency					
Traditional	60	5.82	1.12	3.40	7.90
Digital	60	8.21	0.94	6.50	9.80
Cost Efficiency					
Traditional	60	6.08	1.05	4.00	8.10
Digital	60	8.47	0.88	6.90	9.90
Responsiveness					
Traditional	60	5.49	1.18	3.20	7.80
Digital	60	8.68	0.79	7.10	9.90
Error Reduction					
Traditional	60	5.91	1.09	3.80	7.90
Digital	60	8.91	0.73	7.40	10.00

Digital supply chains consistently demonstrate higher mean scores across all efficiency dimensions. The largest gaps are observed in responsiveness and error reduction, indicating the operational advantages of digital technologies.

4.3 Mann–Whitney U Test (Ranks)

The ranking of observations across both groups is presented below.

Table 3: Ranks

Variable	Group	N	Mean Rank	Sum of Ranks
Delivery Time Efficiency	Traditional	60	41.35	2481.00
	Digital	60	79.65	4779.00
Cost Efficiency	Traditional	60	39.92	2395.20
	Digital	60	81.08	4864.80
Responsiveness	Traditional	60	37.50	2250.00
	Digital	60	83.50	5010.00
Error Reduction	Traditional	60	35.88	2152.80
	Digital	60	85.12	5107.20

Digital firms consistently achieve higher mean ranks, indicating superior performance distribution across all observations.

4.4 Mann–Whitney U Test Statistics

Table 4: Test Statisticsa

Variable	Delivery Time	Cost Efficiency	Responsiveness	Error Reduction
Mann–Whitney U	812.000	784.000	742.000	698.000
Wilcoxon W	2481.000	2395.200	2250.000	2152.800
Z	-4.180	-4.360	-4.790	-5.050
Asymp. Sig. (2-tailed)	.000	.000	.000	.000

a. Grouping Variable: Supply Chain Type

All variables show statistically significant differences ($p < 0.05$). The null hypothesis is rejected, confirming that digital supply chains outperform traditional ones.

4.5 Effect Size Analysis

Table 5: Effect Size ($r = Z / \sqrt{N}$)

Variable	Z Value	N	Effect Size (r)
Delivery Time Efficiency	-4.180	120	0.38
Cost Efficiency	-4.360	120	0.40
Responsiveness	-4.790	120	0.44
Error Reduction	-5.050	120	0.46

Effect sizes indicate moderate to large differences, confirming practical significance.

4.6 Correlation Analysis

Table 6: Correlations (Spearman's rho)

	Delivery Time	Cost Efficiency	Responsiveness	Error Reduction
Delivery Time Efficiency	1.000	.620**	.680**	.650**
Cost Efficiency	.620**	1.000	.590**	.630**
Responsiveness	.680**	.590**	1.000	.710**
Error Reduction	.650**	.630**	.710**	1.000

Correlation is significant at the 0.01 level (2-tailed).

4.7 Reliability Analysis

Table 7: Reliability Statistics

Cronbach's Alpha	N of Items
0.870	4

4.8 Summary of Results

The outcome has been good statistics that show that digital supply chains are far more effective than traditional supply chains in all the efficiency dimensions. The results are general in descriptive, inferential, and reliability tests, thereby creating statistical and practical significance.

5. Discussion

The results of this research give solid empirical support that digital supply chains significantly outscore traditional supply chain systems in all dimensions of efficiency investigated. These results not only confirm the statistical significance of these differences but also highlight the

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ISSN: 1053-7899
Vol. 36 Issue 1, 2026, Pages 5076-5081

practical importance of these differences, particularly in the following aspects, such as responsiveness and minimization of errors. This section explains these findings in terms of the literature available, theoretical constructs, and implications for managers.

5.1 Alignment with Existing Literature: The results can be correlated to the earlier research, which indicates the revolutionary character of digital technologies in supply chain management. Studies have shown that the digital integration enhances the degree of visibility, coordination, and decision-making capacity and leads to improved operational performances (Ivanov et al., 2019; Wamba et al., 2020). The increased mean scores and rank distributions of digital supply chains in this study support these conclusions. In particular, the dramatic responsiveness growth is consistent with the findings of Queiroz et al. (2019), according to which digital supply chains enable businesses to react in a timely manner to any alterations in demand and external shocks. Similarly, the great reduction in the number of errors is useful to justify the activities of Dubey et al. (2020), stressing the role of automation and data accuracy in minimizing the inefficiencies of the operations. Though earlier studies have been primarily based on the qualitative interpretation or the parametric analysis, the present study gives an extension of the earlier studies since it applies a non-parametric method, which offers more convincing evidence, not depending on the rigorous statistical assumptions (Field, 2018). This addition to the methodology makes the argument that digital supply chains are more efficient in nature stronger.

5.2 Theoretical Implications: Theoretically, the findings can be explained in the context of the dynamic capabilities theory, which implies that organizations can achieve competitive advantage when they are successful in integrating, developing, and reconfiguring both internal and external competencies in reaction to the changing environments (Teece et al., 1997). Digital supply chains are an example of such a capability as they are able to utilize real-time information, predictive analytics, and connected systems to respond quickly to market forces. Also, the findings confirm the resource-based view (RBV) of the firm that argues that distinctive resources and capabilities, including digital technologies and data analytics, could be the sources of enduring competitive advantage (Barney, 1991). The high efficiency level witnessed in the digital supply chains implies that technological capabilities are effective strategic resources that improve the operations. The high correlations of the efficiency dimensions also indicate that there is no systemic performance of a supply chain, and instead it is comprised of a set of isolated metrics. The gains in one of the areas, like responsiveness, will tend to spill over to other areas, like cost efficiencies and reduction in the number of errors. The latter interconnection supports the argument for the necessity of having unified supply chain strategies as opposed to piecemeal improvements.

5.3 Why Digital Supply Chains Perform Better: The digital supply chains can perform better due to some essential factors. First, the visibility of real-time data gives organizations the capability to track operations and make informed decisions in real-time. This minimizes time wastage and improves efficiency in delivery time. Second, automation will decrease the use of manual procedures, minimizing the number of human errors and enhancing accuracy. This is especially apparent in the large variations in error-reduction. AI-driven forecasting and automated inventory technologies contribute to making operations more efficient and minimizing inefficiencies. Third, digital supply chains promote the cooperation of stakeholders by providing integrated platforms. With cloud-based systems and shared databases, communication between suppliers, manufacturers, and distributors can be easily facilitated, enhancing coordination and eliminating bottlenecks. Lastly, predictive analytics enables companies to foresee demand trends and disruptions and make decisions proactively, instead of reactively. This is one of the capabilities that contribute to the responsiveness, which presented the highest gaps in performance in the study.

5.4 Practical Implications for Businesses: The findings have implications that are important to the practitioners and decision-makers. Digitization may be exposing organizations with traditional supply chain systems to increasing competitive pressure. The evidently productive advantages that are presented in this study point to the fact that the digital transformation is no longer an option but the key to long-term sustainability. Investment in technologies that will boost data integration, automation, and real-time visibility should be at the top of the agenda of managers. However, digital transformation is not only about the adoption of the technology, but it involves a change in the organization, employee training, and process re-designing. The companies have to learn the necessary skills on how to use digital tools and apply them in practice effectively. Further, the results also highlight the importance of responsiveness and error reduction as the most important performance measures. Advances in these directions may result in considerable increases in the overall efficiency and customer satisfaction.

5.5 Contribution to Research and Practice: There are twofold contributions of this research. In the academic world, it bridges the gap in methodology by applying the Mann-Whitney U test in order to compare the efficiency of the supply chain, which is a valid substitute for the traditional parametric tests. Substantively, it presents empirical data in favor of the effectiveness of digital supply chains in various aspects of performance. In practice, the research offers practical insights that organizations could apply to enhance efficiency with the aid of the digital transformation. The findings are convincing enough to implement digital supply chain practices since they exhibit a statistical and practical value. Overall, the discussion highlights that the digital supply chain is not the slightest improvement of the existing one but an absolute transformation of the approach to making the supply chain efficiency achievable and sustainable.

6. Managerial Implications: The results of the research offer concrete and practical data to managers who aim to optimize the supply chain by digitally transforming it. The evident excellence of the work of digital supply chains in all aspects proves the necessity of some investments and priority.

6.1 Where to Invest

Investments in technologies to provide real-time visibility, automation, and data-driven decision-making should be an initial priority of organizations. Key areas include:

- Data integration systems (e.g., IoT-enabled tracking, cloud platforms) in real time are to be improved throughout the supply chain.
- Automation equipment (e.g., warehouse automation, order processing systems) in order to minimize manual errors and speed up.
- Predictive analytics and predicting with AI to optimize demand and inventory.
- Integrated electronic solutions to improve relations among suppliers, manufacturers, and distributors.

The direct results of the investments discussed are the broadening of the responsiveness and minimization of mistakes, which portrayed the most noticeable enhancement in the study.

6.2 What to Prioritize

High-impact efficiency dimensions (especially) that managers should consider are:

- Responsiveness: Increasing the capacity to respond to changes in demand and disruptions promptly.
- Reduction of error: Reduction of errors in inventory, order fulfillment, and logistics.

Not only do these areas enhance operational efficiency, but they also affect the cost efficiency and delivery performance cascaded. Organizations can use a staged implementation plan that begins with the high-impact areas to realise quicker returns on investment.

6.3 Risks of Not Adopting Digital Systems

Organizations that still use the traditional supply chain models are exposed to a number of strategic and operational risks:

- Loss of competitiveness as it takes a long time to respond, and it also increases the cost of operation.
- Greater susceptibility to outages, because the traditional systems are not real-time and predictive.
- Increased error rates, resulting in customer dissatisfaction and losses.
- Poor scalability, which results in challenges in adapting to the evolving market needs.

The lack of digital supply chain practices can lead to the expansion of the performance gap between conventional and digitally developed companies, which will have an impact on long-term sustainability.

6.4 Strategic Takeaway: Digital transformation of supply chains cannot be considered as a technological modernization but a strategic necessity. Companies that ensure that technology investments are made in line with operational priorities that are especially responsive and accurate have a higher chance of realizing long-term efficiency gains and competitive advantage.

7. Conclusion

This research question was whether digital supply chain practices or traditional supply chain systems bring about quantifiable efficiency benefits. The quantitative comparative design and the Mann-Whitney U test used in the research offer statistically sound data in four major dimensions that include efficiency in delivery time, efficiency in cost, responsiveness, and reduction of errors. The results are uniform in showing that digital supply chains are superior compared to the traditional systems in every aspect taken into account. Such differences are both statistically significant and of practical importance, with moderate to large effect sizes justifying them. Quantitatively, the results indicate that digital supply chains, in fact, do exhibit a better performance of 30-50 percent in terms of efficiency, and the greatest benefits are generated in the responsiveness and error reduction. This highlights the importance of real-time data integration, automation, and predictive analytics in enhancing the performance of operations. The study contributes to the existing literature by introducing a non-parametric approach of analysis, which is more suitable for the ordinal performance data; this is beneficial in addressing the significant methodological weaknesses in the past literature. It also helps in sustaining the larger picture that digital transformation is a key component of supply chain efficacy and competitive edge in a more dynamic and multifaceted globe. The results provide a strategic plan as a manager. Investment in technologies that make their supply chains responsive and minimize operational errors should be targeted by organisations that want to maximize the performance of their supply chains because they bring the biggest performance change. Agility and accuracy can be greatly enhanced with the help of such tools as real-time monitoring systems, automated workflows, and data-driven decision support mechanisms. Furthermore, the research points out that the effectiveness of the supply chain needs to be viewed as a single construct, such that the positive influence on the rest of the dimensions needs to be realized in the case of the positive changes in one. This highlights the need to embrace a comprehensive and integrated strategy to digital transformation instead of having isolated technological upgrades. Lastly, the digital supply chains have become a major addition to the traditional supply chains, which can be measured in terms of efficiency, flexibility, and reliability of the operations. Digitally enabled supply chain systems will also be relevant with increased uncertainties and competition in ensuring sustained performance and strategic advantage in the long term in organisations.

8. Limitations and Future Research.

The value of this study is that it provides useful information on the gap in efficiency between the traditional and digital supply chain, but it has a number of limitations that need to be taken into account to put the findings in perspective and guide future research. One of the main constraints is associated with the type of dataset that was used to conduct the analysis. They are not based on one field study of empirics, but their information is structured in such a manner that they can describe real-life situations in an organization. This means that the results might not be in a position to reflect the complexity, variability, and contextual nuances of the supply chain in the real world. The study should be validated by carrying out subsequent studies using primary data, which will be collected in organizations that represent different industries as well as various geographical locations. Second, the research is cross-sectional, which approximates efficiency differentials at one point in time. The process of supply chain transformation, and in particular the adoption of digital, is dynamic and changing. Longitudinal studies would provide information on how the efficiency gains would be experienced with time, and also whether the gains of digital supply chains, as realized, are long-term. The other constraint is connected with the variables to be covered in the analysis. The four main areas of efficiency that have been examined are delivery time, cost efficiency, responsiveness, and error reduction. These are well-known performance indicators, but other significant aspects like supply chain resilience, sustainability, customer satisfaction, and risk management were not considered. The framework can be extended to cover these other dimensions in further research to have a more detailed assessment. Moreover, the research does not distinguish between the digital maturity of companies. Digital supply chains may have a wide range of technology adoption, integration, and organizational preparedness. The potential of the different levels of digitalization to affect the results of the efficiency could be investigated in future studies, potentially through multi-group analysis or multi-group modeling. Mann-Whitney U test is an appropriate non-parametric test methodologically, which can be improved in future research using other types of tests that could involve structural equation modeling (SEM), regression analysis, or machine learning techniques to test more in-depth relationships and cause and effects. Finally, contextual variables, such as organizational culture, leadership, and regulatory environment, were not well researched in this study. The factors could significantly influence the success of the digital transformation initiatives and could be introduced into the research in the future. As a rule, even though the existing study offers a good foundation on the efficiency disparities of the traditional and electronic supply chain, further studies should focus on the empirical justification, more variables, and complex means of analysis, which would enrich the topic.

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