Why JUST-IN-TIME strategy is effective on lowering cost

The main idea of this passage is why and how company use a few ways to enhance their efficiency by using a Just-In-Time (JIT) strategy. Three most important things are your goods’ locations, outside influences and analyze the transportation data.

First, most of times goods are not in transit. So, the most important thing companies need to do is that they have to know where their goods are at all times, so that they can accurately meet consumer demand. By the way, many companies nowadays need to purchase their raw materials from all over the world, so they have to monitor the whole assemble line and distribute them based on consumer demand.

Secondly, know what will impact on your goods really affect your efficiency. Thus, you get to know whether your raw materials are stored safety. To my knowledge, temperatures weather and transport condition do make an enormous change on the materials. So that companies can be alerted when it matters most.

Last but not least, using AI and big data to provide actionable insights for better business decisions and maximum supply chain efficiency. It can provide optimize plans and execution. By using variety algorithms, computer can output the most efficiency way to maximize the supply-chain efficiency.