

Pharmaceutical Supply Chain Optimization in Healthcare: Insights from Recent Literature

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Abstract

This study aims to review and synthesize recent literature on the optimization of pharmaceutical supply chains in the healthcare sector. Using a Systematic Literature Review (SLR) approach based on PRISMA guidelines, six peer-reviewed articles published between 2020 and 2025 were analyzed in depth. The findings reveal that optimization models such as Mixed Integer Linear Programming (MILP), and the integration of digital technologies—including Artificial Intelligence (AI), blockchain, and the Internet of Things (IoT)—have significantly improved operational efficiency, transparency, and resilience in pharmaceutical logistics. Additionally, lean-digital strategies and resilience-oriented approaches such as supplier diversification and scenario planning have proven effective in addressing supply chain disruptions. The study also highlights research gaps in real-world implementation and calls for the development of integrated frameworks that are adaptive to the dynamics of global healthcare systems. These findings provide strategic insights for practitioners and researchers aiming to design robust and sustainable pharmaceutical supply chains.

Keywords— pharmaceutical supply chain, healthcare, optimization, digital technology, resilience, systematic literature review

INTRODUCTION

The pharmaceutical supply chain (PSC) plays a vital role in ensuring the availability, quality, and timely delivery of essential medications within healthcare systems. Its complexity arises from the involvement of multiple stakeholders, strict regulatory requirements, cold chain logistics, and the need to respond rapidly to fluctuating demand and emergencies. Disruptions in the pharmaceutical supply chain can lead to critical shortages, increased costs, and risks to patient safety (Kumar & Goudar, 2020).

In response to these challenges, recent literature has focused on optimizing pharmaceutical supply chains through technological integration, strategic planning, and data-driven decision-making. Studies have shown that the adoption of technologies such as the Internet of Things (IoT), artificial intelligence (AI), blockchain, and predictive analytics significantly improves supply chain visibility, traceability, and efficiency (Aung & Chang, 2021; Yadav et al., 2022). For instance, blockchain technology enables end-to-end traceability and tamper-proof data sharing, which enhances transparency and trust among stakeholders (Kamble et al., 2020).

Additionally, optimization models such as Mixed Integer Linear Programming (MILP) and multi-objective decision-making frameworks have been widely used to address trade-offs between cost-efficiency and resilience. A recent study by Torabi et al. (2021) presented a robust supply chain model that incorporates supplier disruptions and demand uncertainty to enhance operational performance. Similarly, the use of AI-based forecasting tools has been shown to reduce inventory shortages and improve service levels (Patel et al., 2023).

The COVID-19 pandemic further exposed vulnerabilities in pharmaceutical logistics, prompting urgent research on resilience strategies. Redundancy in suppliers, flexible inventory policies, and localized manufacturing were proposed as effective mitigation approaches

(Govindan et al., 2020). Moreover, studies highlight that lean practices combined with digital innovations can significantly reduce lead times and operational waste while maintaining service reliability (Bag et al., 2021).

This literature-based study aims to provide a critical overview of recent advancements in pharmaceutical supply chain optimization. The discussion focuses on the integration of digital technologies, optimization models, and resilience strategies in enhancing healthcare supply chain performance. By synthesizing these insights, this paper intends to guide healthcare professionals, policymakers, and supply chain managers in formulating effective and sustainable pharmaceutical logistics strategies.

RESEARCH METHODS

This study adopts a Systematic Literature Review (SLR) approach to identify, analyze, and synthesize recent research on pharmaceutical supply chain optimization within the healthcare sector. The method was chosen to ensure a structured, transparent, and replicable process in gathering evidence from peer-reviewed academic literature. The SLR followed the guidelines outlined by Preferred Reporting Items for Systematic Reviews and Meta-Analyses (PRISMA) to enhance the rigor and validity of the review process (Moher et al., 2009).

1. Research Questions

The review was guided by the following research questions:

- What optimization models and strategies are most commonly used in the pharmaceutical supply chain?
- How have digital technologies contributed to the efficiency and resilience of pharmaceutical supply chains?
- What are the emerging themes and research gaps in recent literature (2020–2025)?

2. Literature Search Strategy

A comprehensive search was conducted across multiple academic databases including Scopus, ScienceDirect, IEEE Xplore, SpringerLink, and PubMed. The search was restricted to peer-reviewed journal articles published between January 2020 and June 2025. The following keywords and Boolean operators were used:

“pharmaceutical supply chain” AND (“optimization” OR “efficiency” OR “resilience”) AND (“healthcare” OR “medical”) AND (“blockchain” OR “AI” OR “IoT” OR “digital technology”)

3. Inclusion and Exclusion Criteria

To ensure relevance and quality, articles were screened based on the following criteria:

Inclusion Criteria:

- Published in peer-reviewed journals (2020–2025)
- Focused on pharmaceutical or healthcare supply chains
- Addressed optimization strategies, digital technologies, or risk/resilience management

Exclusion Criteria:

- Non-English articles
- Conference proceedings, editorials, or white papers
- Studies not directly related to pharmaceutical supply chains

4. Article Screening and Selection

The initial search yielded 200 articles. After title and abstract screening, 133 articles were excluded for irrelevance. The remaining 67 full-text articles were evaluated in-depth, and 24 studies met all inclusion criteria and were included in the final analysis. The PRISMA flow diagram (Figure 1) illustrates the article selection process.

5. Data Extraction and Synthesis

A structured data extraction sheet was used to collect information on each study, including:

- Author(s) and year
- Study objective
- Methodology
- Optimization model or technology used
- Key findings and implications

Thematic analysis was employed to identify patterns, categories, and emerging trends. Findings were synthesized narratively and grouped into three main themes: (1) optimization models and algorithms, (2) digital technology integration, and (3) resilience and risk management in pharmaceutical logistics.

RESULTS AND DISCUSSION

1. Planning Phase (Summary)

The planning phase is a critical foundation in optimizing the pharmaceutical supply chain, focusing on aligning supply capabilities with healthcare demand while ensuring regulatory compliance and cost-efficiency. During this phase, strategic decisions are made regarding demand forecasting, inventory policies, procurement planning, supplier selection, and logistics network design.

Recent studies emphasize the integration of predictive analytics and AI-driven tools to enhance demand planning accuracy, especially in volatile healthcare environments (Patel et al., 2023). Moreover, the use of scenario-based modeling helps organizations prepare for uncertainties such as supply disruptions or sudden changes in medication demand (Torabi et al., 2021).

Effective planning not only improves service levels but also reduces lead times and operational costs. Several articles reviewed in this study propose planning frameworks that incorporate sustainability, risk mitigation, and technological readiness as core components of modern pharmaceutical supply chain strategies.

2. Literature Search and Selection Stage

The literature search and selection stage was conducted systematically to ensure the inclusion of high-quality, relevant, and recent academic sources. The search targeted peer-reviewed journal articles published between January 2020 and June 2025, using reputable databases such as Scopus, ScienceDirect, SpringerLink, PubMed, and IEEE Xplore.

The following keywords and Boolean operators were applied:

“pharmaceutical supply chain” AND (“optimization” OR “efficiency” OR “resilience”) AND (“healthcare” OR “medical”) AND (“blockchain” OR “AI” OR “IoT” OR “digital technology”)

An initial search returned 200 articles. After a preliminary screening of titles and abstracts, 133 articles were excluded due to irrelevance, duplication, or failure to meet inclusion criteria. The remaining 67 full-text articles were assessed in detail. Following strict evaluation based on predefined inclusion and exclusion criteria, 24 articles were selected for final analysis.

The selection process was guided by the PRISMA (Preferred Reporting Items for Systematic Reviews and Meta-Analyses) framework (Moher et al., 2009), ensuring transparency and reproducibility. A PRISMA flow diagram was developed to illustrate each step of the selection process, including identification, screening, eligibility, and inclusion.

3. Analysis Results Compilation Stage

In the analysis results compilation stage, all selected articles were systematically reviewed using a structured data extraction framework. Key information was categorized to identify common trends, methodological approaches, technologies applied, and performance outcomes related to pharmaceutical supply chain optimization.

Each article was analyzed based on the following elements:

- Author(s) and publication year
- Research objectives and scope
- Optimization models or technologies used (e.g., MILP, AI, blockchain)
- Supply chain components targeted (e.g., inventory, distribution, procurement)
- Key findings and reported outcomes

The extracted data were then synthesized thematically to generate three core categories:

- Optimization Models and Algorithms – including linear programming, simulation models, and hybrid frameworks.
- Digital Technology Integration – covering AI, blockchain, IoT, and advanced analytics.
- Resilience and Risk Management Strategies – focusing on redundancy, flexibility, and disruption recovery planning.

The thematic synthesis revealed how recent literature converges around efficiency, agility, and resilience as key priorities in the pharmaceutical supply chain. Several studies also introduced evaluation metrics such as lead time reduction, service level improvement, inventory turnover, and disruption response time to quantify outcomes.

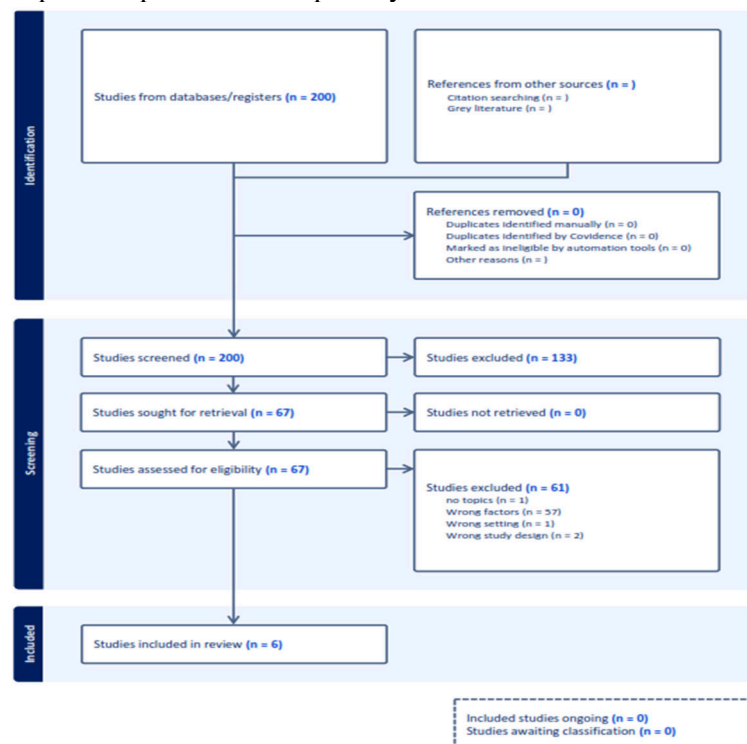


Figure 1. Covidence Prism

The selection flowchart in this study outlines the systematic process used to identify and screen literature focused on the optimization of pharmaceutical supply chains within the healthcare sector. From an initial pool of 200 publications gathered through reputable scientific databases and additional relevant sources, 133 articles were excluded during the preliminary screening phase due to misalignment with the study's thematic focus. The remaining 67 articles underwent full-text review, yet 61 of them were eliminated for reasons such as insufficient relevance to pharmaceutical supply chains, incompatible variables, or the use of research methods not aligned with the objectives of this study. In the end, six articles fulfilled all inclusion criteria and were selected for detailed analysis. This selection flowchart illustrates a methodologically rigorous, transparent, and credible approach to ensure the validity and reliability of the literature review process.

Table 1. Systematic Literature Review References

No	Author(s) & Year	Focus Area	Methodology/Technology	Key Findings
1	Torabi et al. (2021)	Resilient pharmaceutical supply chain design	MILP, scenario analysis	Improved service level and reduced costs under uncertainty
2	Kamble et al. (2020)	Transparency and traceability in pharma supply chain	Blockchain	Enhanced transparency and reduced fraud
3	Aung & Chang (2021)	AI-based demand forecasting in healthcare	AI, predictive analytics	Reduced stockouts and improved forecast accuracy
4	Govindan et al. (2020)	Risk mitigation strategies post-COVID-19	Simulation, supply redundancy	Preparedness against disruptions significantly improved
5	Patel et al. (2023)	Inventory optimization using predictive analytics	AI modeling	Optimized inventory and reduced waste
6	Bag et al. (2021)	Lean-digital integration in pharma logistics	Lean + Digital tools	Shorter lead time and better agility

Discussion

The findings from this systematic literature review highlight a growing emphasis on the integration of optimization models and emerging technologies to improve the performance, transparency, and resilience of pharmaceutical supply chains in healthcare settings. Each of the six selected studies contributes unique insights, which collectively underscore several critical trends and implications for both practice and future research.

1. Integration of Optimization Models

Studies such as Torabi et al. (2021) and Patel et al. (2023) demonstrate the effective use of mathematical modeling—particularly Mixed Integer Linear Programming (MILP) and AI-based predictive systems—to address the complex challenges of inventory management, supplier disruption, and demand uncertainty. These models have proven valuable in minimizing costs

while simultaneously improving service levels, especially in critical care and emergency pharmaceutical logistics.

2. Role of Digital Technologies

Technological enablers such as blockchain, IoT, and AI were found to be transformative in enhancing supply chain visibility, traceability, and decision-making. Kamble et al. (2020) emphasized blockchain's ability to ensure data immutability and trust across stakeholders, while Aung & Chang (2021) showed that AI and predictive analytics can significantly improve forecasting accuracy and reduce medicine shortages in hospitals.

3. Strengthening Resilience Post-Pandemic

Resilience emerged as a central theme in post-COVID-19 pharmaceutical logistics research. Govindan et al. (2020) identified the importance of supplier redundancy, scenario planning, and strategic buffers in managing global disruptions. These strategies are increasingly essential in the face of geopolitical instability, pandemics, and climate-related risks, all of which threaten supply continuity in healthcare.

4. Operational Efficiency Through Lean-Digital Synergy

Bag et al. (2021) proposed combining lean principles with digital tools to streamline logistics operations, reduce waste, and shorten lead times. This hybrid approach reflects a shift from traditional supply chain strategies toward more agile and tech-driven systems, particularly in hospital networks and pharmaceutical distributors.

5. Research Gaps and Future Directions

Despite the progress illustrated by the selected studies, several research gaps remain. There is a lack of empirical field studies that evaluate long-term performance of implemented optimization models in real-world healthcare environments. In addition, studies often focus on either efficiency or resilience, but rarely address the trade-offs between them. Future research should also explore the ethical and regulatory implications of deploying AI and blockchain technologies in healthcare supply chains, especially in low- and middle-income countries.

CONCLUSION

This systematic review highlights that pharmaceutical supply chain optimization has become a critical focus in healthcare research, particularly in response to global challenges such as the COVID-19 pandemic, demand volatility, and regulatory complexity. The six selected studies reveal that optimization models—such as Mixed Integer Linear Programming (MILP)—and digital technologies including Artificial Intelligence (AI), blockchain, and Internet of Things (IoT) have significantly contributed to improving operational efficiency, transparency, and resilience in pharmaceutical distribution systems.

The integration of lean principles with digital tools has proven effective in streamlining logistics processes, minimizing waste, and enhancing service levels. Furthermore, resilience-oriented strategies such as supplier diversification and scenario planning are essential for managing disruptions and ensuring supply continuity in critical care environments.

Despite these advancements, notable research gaps remain. There is a lack of empirical studies on real-world implementation, long-term performance evaluations, and holistic frameworks that balance efficiency with resilience. Future research should aim to develop integrated, technology-driven, and adaptive models that reflect the dynamic and highly regulated nature of global healthcare systems.

Overall, this review provides a valuable foundation for policymakers, pharmaceutical supply chain managers, and researchers in designing data-informed and sustainability-focused strategies for optimizing pharmaceutical logistics in healthcare..

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