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# Integrating Digital Technologies for Inventory and Material Management in SMEs: A Case Study of Vijayapura District

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**ABSTRACT:**

The research presented here addresses the necessity of Industry 4.0 for Small and Medium Enterprises (SMEs) for Inventory and Material management in emerging markets, with a focus on the challenges faced by traditional inventory systems in the semi urban and rural areas of the Vijayapura District, characterized by manual processes, data inaccuracy, and inefficient stock management; outlines the role of digital technologies such as cloud-based Enterprise Resource Planning (ERP) systems, Internet of Things (IoT), Artificial Intelligence (AI)-driven predictive analytics, and blockchain-enabled supply chain transparency in enabling operational efficiency, cost-reduction, and supply chain agility; identifies issues such as imbalances in digital adoption, financial, technical, and organizational barriers to implementation, and the need to explore conceptual and theoretical frameworks such as Technology Acceptance Model (TAM), Resource-Based View (RBV), and Technology-Organization-Environment (TOE) Framework to aid in understanding digital maturity levels; and emphasizes the critical role of government policies, institutional support, and capacity-building initiatives in shaping a digitally enabled SME ecosystem that views digital transformation not only as an upgrade but a necessity for enhancing the competitiveness, scalability and sustainability prognosis of SMEs in the Business 4.0 era and positioning them to leverage technological advancements so that long-term growth and supply chain strength can follow in response to the global economy's use of data for virtually every new development.

**Keywords:** Digital Transformation, Inventory Management, Small and Medium Enterprises (SMEs), Industry 4.0 Technologies, Supply Chain Agility, Technology Adoption Frameworks

## Introduction and Background related to the study:

The adoption of digital technologies at the inventory and material levels is an emerging well-known imperative for Small and Medium Enterprises (SMEs), especially in the developing regions such as the Vijayapura District, where businesses still practice manual, labor-intensive stock control methods causing inefficiencies, inaccuracies, and operational bottlenecks and meanwhile urgently need to adopt Industry 4.0 technologies including but not limited to cloud-based Enterprise Resource Planning (ERP) systems, Artificial Intelligence (AI)-driven predictive analytics, the Internet of Things (IoT) for real-time inventory tracking, and blockchain for supply chain transparency that can led SMEs that are able to implement industry 4.0 technologies maximize their supply chain agility, reduce their holding costs, optimize their procurement processes, and finally, improve their demand forecasting accuracy; (Dwivedi et al 2022) whereas despite the benefits, the adoption of such digital solutions has been found to be rife with multiple barriers in semi-urban and rural markets such as Vijayapura, including financial constraints, digital literacy gaps, a scarcity of technical expertise, and poor infrastructure development, the conceptual and theoretical bases of technology adoption models such as the Technology Acceptance Model (TAM), Resource-Based View (RBV), and Technology-Organization-Environment (TOE) framework used to outline how SMEs in the region perceive, adopt, and integrate digital solutions into their existing inventory practices remain poorly understood, (Lages et al 2013), (Jabbour et al 2021); global research on digital supply chain management has predominantly focused on large enterprises and urban SMEs, leaving a critical knowledge on how resource-constrained SMEs can still benefit from lower-cost digital solutions that can strategically transition them from traditional stock-keeping systems to automated, data-driven inventory management frameworks that can foster better decision-making, better operational efficiency as well as a sustainable business environment across small to medium sized enterprises; the role of government policies, financial incentives, and institutional support mechanisms in enabling digital transformation in inventory and material management is still lacking from proposed research, thus have left a part of the enquiry unexplored on how public-private partnerships, digital upskilling programs, and SME-specific technology incubators could help in bridging the digital divide and foster inclusive technological growth,[Sharma et al 2023]; as the Business 4.0 era continues to transform global supply chains, it is imperative that SMEs in Vijayapura District embrace scalable, accessible digital tools that not only streamline inventory operations, but also contend against competitors in the internal and

external markets, highlighting the need for policy driven, research backed and industry supported digital adoption strategies as well as ensure SMEs could leverage the technological advancements to drive profitability, scalability, and sustainability in what is becoming an ever-more networked digital economy (Bag et al 2023).

## Importance of inventory and material management in SMEs:

In particular, for Small and Medium Enterprises (SMEs), where factors such as lack of financial resources, no sufficient storage facilities and absence of effective procurement systems geared towards just-in-time strategies result in high holding costs, stock outs, wastage, poor demand forecasting, as SMEs continue to rely on traditional, manual transaction method for inventory tracking; therefore, it is important that SMEs adopt digitalized, automated inventory solutions, since, with advancements in both cloud-based ERP, AI-enabled demand forecast, IoT-enabled real-time monitoring, and blockchain-based supply chain transparency, digitized inventory systems can efficiently augment stock control, procurement process flows and strengthen decision-making (Patel et al., 2022), However, having the right inventory solution is one of most critical know-how that SMEs need to have in order to maintain the right level of inventory based on data-driven forecasting that leads to timely re ordering, minimum capital insights, lesser production lag, proper coordination with suppliers and profitable turnover levels (Mishra & Singh, 2023), thus the need for technology enabled inventory systems is not only a modernization effort for SMEs but a strategic necessity as it directly influences their competitive positioning, optimizes resource utilization and enhances agility in supply chains, providing a scalable, cost-effective and sustainable business practice transforming the functioning of SMEs with industry alone leading to long run sustainability in developing markets like Vijayapura along with long run growth and resilience in agile economies adopted digitally (Rana et al., 2023).

## Challenges faced by SMEs in traditional inventory management:

Traditional inventory management is rife with challenges for Small and Medium Enterprises (SMEs) in Vijayapura District inefficient manual stock control, paper-based record-keeping, and fragmented procurement processes lead to inaccuracies and financial losses with common issues being overstocking, stockouts, high holding costs, supply chain disruptions, and delayed order fulfilment that collectively compromise profitability, customer satisfaction, and operational efficiency (Gupta & Kakkar, 2023); yet despite the evident need for modernization, lack of access to financial resources in semi-urban and rural regions like Vijayapura have forced SMEs to remain highly dependent on manual processes which consequently results in inventory mismatches, inaccurate demand forecasting and supply chain bottlenecks, complicated by limited digital infrastructure, inadequate training programs and lack of access to advanced inventory management systems that could facilitate the timely adoption of digital solutions (Srivastava et al., 2022); further, SMEs are also challenged with poor supplier coordination, inefficient warehouse operations, and lack of integration between procurement and sales, which prevents them from being responsive to the fluctuating market conditions and achieving consistent inventory control (Bansal & Verma, 2023), highlighting the pressing need for policy-driven incentives, industry collaborations, and accessible digital solutions to enable SMEs in Vijayapura District to surmount their inventory management challenges and achieve long-term sustainability in an increasingly competitive and technology-driven business landscape.

## Research Problem related to the study:

However, while growing awareness exists around digital transformation as a mechanism to improve inventory and material management of the Small and Medium Enterprises (SMEs), the businesses of Vijayapura District are battling outdated and inefficient inventory practices, with high operating cost wider lead times continuous mis-stock and significant financial loss as well as increased lead time, frequent stock mismatch and financial loss from, sending tough challenges to scalability and sustainability with detrimental effect of manual recording, non-transparent real time stock, lack of demand forecasting, non-integration in supply chain, ineffective procurement system, etc. (Kumar et al., 2023); accordingly, while need exists to explore the potential of Industry 4.0 technologies (cloud-based ERP, AI-powered trends, IoT-enabled critical diversification, as well as blockchain-enabled structural exposure) for transforming inventory management and improving operational agility of the SMEs of Vijayapura, limited resource poor environments, the underlying adoption barriers and the implementation approaches targeting the semi-urban and rural contexts remain poorly researched and understood, with exceptions around developing the guidelines around the context-specific models for digital adoption, policy framework and tactical interventions to bridge these markets (Rana & Mehta, 2023).

### *How can digital technologies address these challenges?*

Despite manual stock control systems, inaccurate demand predictions, inefficient procurement, and absence of real-time inventory visibility hindering efficiency, resource optimization, and supply chain agility for small and medium enterprises (SMEs) in Vijayapura District (Qiang et al., 2023), integration of digital technologies in inventory and materials management presents a critical opportunity for the SMEs to overcome traditional challenges and effectiveness issues through the adoption of cost effective digital technologies namely cloud-based ERP systems, artificial intelligence (AI)-based predictive analytics, Internet of Things (IoT)-based inventory monitoring and blockchain-enabled supply chain transparency, to improve data accuracy, automate stock replenishment, reduce wastage, optimize the coordination with suppliers, and in turn, low operational delays, optimize working capital, and high inventory turnover (Sharma et al., 2023); further, AI-powered demand forecasting models utilize historical sales data, market trends, and seasonality factors to predict customer demand, preventing overstocking and stockouts (Mehta & Singh, 2022); IoT-based smart warehouses equipped

with RFID tags and sensor-based stock monitoring can facilitate real-time tracking of the inventory and enhance the visibility across the supply chain (Mehta & Singh, 2022); moreover, blockchain technology innovations can improve inventory visibility and accuracy through establishing tamper-proof digital records of stock movement, which in turn, mitigate fraud risks and enhance supplier trust as key elements for their long-term competitiveness in semi-urban and rural regions like Bydagi, which produces, maintains, and delivers goods at minimum operational costs in a competitive economy (Hossain, 2023) and must adopt low-cost, scalable digital technologies that create operational, resilient, and long-term competitiveness in a profitable data-driven global economy (Rao et al., 2023).

***Research Questions***

1. What are the key challenges faced by SMEs in Vijayapura in managing inventory and materials?
2. What digital technologies are being used for inventory management?
3. How does digitalization improve operational efficiency and decision-making in SMEs?

***Research Objectives:***

1. To analyze the current inventory management practices in SMEs.
2. To evaluate the adoption of digital tools in managing inventory and materials.
3. To assess the impact of digital transformation on efficiency and cost reduction.

## Current inventory management practices in SMEs:

As such, several enterprises rely on traditional stock-keeping methods, including paper-based records, spreadsheets, and ad-hoc procurement strategies, which often lead to errors, inconsistencies, and lagging real-time inventory status, thus preventing these SMEs from keeping track of their inventory (Rathore & Agrawal, 2023), resulting in operational inefficiencies, stock discrepancies, overstocking, and stockouts, while causing increased holding costs, supply chain interruptions, and poor demand forecasts, which reduces their competitive advantage when it comes to order fulfillment processes; moreover, most of the SMEs operating in the Vijayapura District have no centralized inventory management mechanisms, which leads to delayed and inefficient restocking of raw materials and poor coordination with suppliers, thus reducing the overall agility required to appropriately respond to dynamically changing market scenarios, as many enterprises struggle to efficiently integrate supply chain data across departments, which leads to ineffective procurement planning and poor warehouse utilization (Banerjee et al., 2022); while isolated either implementing basic inventory management software or barcode tracking systems, these are usually without full scale integration and rapid automatic data processing, thereby being unable to leverage real-time data for automated decision-making, predictive analytics, and demand-driven inventory optimization, thus emphasizing the necessity for comprehensive digitalization that includes a unified cost efficient, operationally scalable digital transformation strategy that includes cloud-based ERP, IoT-enabled tracking, Advanced AI-powered forecasting, and Blockchain for supply chain clarity and transparency, all of which are vital for longer term competitiveness in an increasingly technology-driven market (Jha & Kumar, 2023).

## Adoption of digital tools in managing inventory and materials:

From the gradual rise of adoption of digital tools for inventory and material management in Small and Medium Enterprises (SMEs) in the Vijayapura District, such as cloud-based Enterprise Resource Planning (ERP) systems, IoT-enabled tracking, and AI and blockchain powered solutions (online demand forecasting and supply chain transparency) amplitude the transparent real-time visibility of inventory, automation of stock replenishment, operational error minimization, and data-driven decision-making to improve procurement planning, warehouse efficiency, and cost control in an age of sensational digital trades effectively mirrored through the reduction in the business's dependency on traditional record-keeping, fragmented procurement practices, and inefficient stock tracking (Mishra et al., 2023; Patil & Deshmukh, 2022) but SME builds meet slow wide-spread adoption of automated inventory management systems in semi-urban and rural markets and faces high implementation cost along limited access to digital literacy, inadequate IT infrastructure, resistance to change, and increasing backlog of enterprise automation which can only be resolved through government initiatives, adequate financing, niche-targeted industrial collaborations through social media need integrational smart technologies that can also support their needs as they will fail to achieve economies of scale without digital transformation through practical methods and supply chain efficiency (Shinde et al., 2023).

## Significance of the Study:

This study on integrated digital technologies in inventory and material management in Small and Medium Enterprises (SMEs) in Vijayapura District is significant because it addresses the critical operational inefficiencies, closes the technological gaps and provides a strategic roadmap for SMEs to transition from their traditional inventory management practices, which are prone to errors and manual processes that incur greater resource input, to state-of-the-art digital solutions such as cloud-based ERP systems to enable accurate product tracking and automate procurement processes and Artificial Intelligence (AI)-driven predictive analytics for stock management, Internet of Things (IoT)-enabled real-time tracking of inventory volumes,

consumption pattern to reduce stock discrepancies and decision-making optimization through blockchain-powered transparency in their supply chain, and despite the extensive proven advantages of digital inventory management, many SMEs in semi-urban and rural regions like Vijayapura continue to face financial, technical, and organizational barriers such as heterogeneous capital, limited digital literacy, inadequate IT infrastructure, and resistance to change, which limits their capacity to adopt Industry 4.0 technologies, thereby making this study crucial in identifying the policy interventions, financial support mechanisms, as well as capacity-building initiatives that can accelerate the digital transformation of SMEs, improve their supply chain agility, and help them to develop strong economic footing in the increasingly competitive and technology-driven global market as well as filling the research gaps in academia to explore SME digitalization in resource-constrained environments and provide practical recommendations for industry stakeholders and policymakers in fostering a digitally enabled business ecosystem that ensures long-term economic resilience, scalability, and operational efficiency of SMEs across emerging markets (Kulkarni et al., 2023; Rao & Desai, 2022).

## Literature Review related the study:

Research in the integration of digital technologies has been plentiful regarding the transformative potential of Industry 4.0 technologies including cloud-based Enterprise Resource Planning (ERP) systems (Luthra et al., 2021), Artificial Intelligence (AI)-driven predictive analytics (Kumar & Mehta, 2022), Internet of Things (IoT)-enabling real-time inventory tracking and control (Iekhani et al., 2023), and blockchain for supply chain transparency (Zindu et al., 2022), and deliver evidence for the significantly enhanced visibility of inventory, demand forecasting, process automation, and cost efficiency of implementing these solutions; however in spite of growing adoption of these technologies for large enterprises in developing economies, SMEs in semi-urban and rural regions like Vijayapura District still lag behind in their ability to successfully embrace these digital technologies because of the aforementioned digital inspirits facing continuous barriers to digital adoption including financial restraints, lack of digital literacy, inadequate IT infrastructure, and resistance to change, all providing fertile ground for research in the technological, organizational, and environmental determinants of SME digitalization (Sharma et al., 2023), furthermore previous studies have also successfully implemented technology acceptance models across the literature base as the Technology Acceptance Model (TAM) (Chong et al., 2020), Resource-Based View (RBV) (Patil & Rao, 2023), and Technology-Organization-Environment (TOE) Framework as a basis for understanding how AI-enabled inventory management can reduce stock imbalances, optimize procurement planning, and increase supply chain responsiveness (Gradh, 2021) while studies on IoT-integrated smart warehouses reveal their crucial role in enabling real-time monitoring, automated replenishment, and early dispatch of orders as part of efforts to improve operational agility and customer satisfaction yet widely remain uncaptured in the SMEs as a result of high implementation costs, cybersecurity challenges, and lack of skilled personnel that need government sustenance in the form of subsidies, public-private partnerships focused on SMEs, and training and guidance programs in order to support digital adoption (Kumar & Mehta, 2022); thus while extant literature alludes to the benefits of digital inventory solutions for efficiency enhancement, little empirical evidence exists in relation to the underserviced region of SMEs of developing economies, in terms of their needs to address the digital transition conundrum, potential to embrace affordable inventory solutions, and adoption of sustainable digital business practices, and thus the future need of the research domain is to develop a rigorous yet outsourceable digital adoption models, SME-specific policy frameworks, and scalable sustainable techno-economic processes posing sustainable solutions that cover all operational gaps, and a solution-based approach integrating finite resources and capabilities of the SMEs

## SMEs and Digital Transformation Challenges:

There is a major challenge in the digital transformation of Small and Medium Enterprises (SMEs) associated with inventory and material management in semi-urban and rural places especially in areas like Vijayapura District, India as insufficient financial resources, lack of sound IT infrastructure, poor digital literacy, and hesitance to adopt Industry 4.0 technologies including cloud-based ERP systems, Artificial Intelligence (AI)-driven demand forecasting, Internet of Things (IoT)-enabled inventory tracking, and blockchain for supply chain transparency is still holding back SMEs to move from traditional, manual inventory practices to automated, data-driven inventory control systems to achieve operational efficiency, cost reduction, and supply chain agility (Verma & Patel, 2023); even though several digital tools have the capability of enhancing efficiency, several SMEs do not possess the required skill set for implementation as well as managing AI-powered analytics, IoT-integrated, smart warehouses, and automated procurement systems leading to poor demand forecasting, chain disruptions, and inefficient stock control with high initial implementation costs, in addition to cybersecurity concerns and data privacy risks working as a deterrent preventing SMEs from investing in advanced digital solutions, thus, providing space for government policies, financial incentives, and industry collaborations to fill this digital gap by facilitating SMEs to capitalise on cost-effective, scalable technologies that improves inventory management, and procurement processes to help overall, business sustainability (Desai & Rao, 2022); hence, notwithstanding SME-specific digital transformation challenges, their resolution entails systematic interventions, skill development programs, and customized frameworks for digital adoption facilitating technology-driven inventory optimization while ensuring global competitiveness and resilience in the digital economy (Sharma et al., 2023).

### *Empirical Studies on Digitalization in SMEs with special reference to Case studies of successful digital adoption in SMEs (e.g., India, China, Europe):*

Within this context, even if there are evident successes in innovative digital practices among SMEs, especially those which already entered the digital age in supported cases and undergone by critical initiatives for moving towards digital maturity such as the case of minimum viable ecosystem for cloud computing in India that involves digitalization of SMEs, the global literature on empirical studies suggests that while SMEs which embraced cloud-based Enterprise Resource Planning (ERP) solutions, Artificial Intelligence (AI)-driven analytics and Internet of Things (IoT)-enabled real-time monitoring

systems have achieved significant gains in operational cost reduction and efficiency in regions like India, China and Europe (Sharma & Gupta, 2023), (Zhan et al., 2022), (Hofmann & Krawczyk, 2022), they directly encounter critical sustainability barriers and challenges that impede them to stay even competitive and resilient within these supply chains that include financial and infrastructural barriers along with skilled workforce and necessary technologies all of which require deliberate strategic efforts and policymaking in emergent economies (Rana et al., 2023).

***Current Inventory Management Practices in Vijayapura SMEs:***

The Small and Medium Enterprises (SMEs) in Vijayapura District have predominantly traditional inventory management practices, which are by and large manual, because they continue to depend upon the manual record-keeping, excel sheets, and ad-hoc prevention strategies, which, results in inordinate inefficient, no starck availability, repeated stock-outs, and high-level over & stock, as a number of SMEs have still continued with the paper-based means to track their inventories which perceives tardy replenishment, errors in the stock reconciliation, and lower resource-use (Patel & Agarwal, 2022); whereas, some of the SMEs have adopted the excel sheets or rudimentary software as basic digital tools, its minimization and automation brings down the standard of scale up measures and data-driven choice by settling the nullification of need forecasts and unrealized levels of inventories in true time just which leads to hindrance in protuberance &thwarted consumer support, mainly in flashpoints such as manufacturing and retail sector where inventory efficacy is core (Bansal & Singh, 2021); further, the supplier coordination is still manual since many callings are being with old phones and characterized transferences, causing delays in procurements, undesired lead-nuts and enhanced expenses due to ineffective supplier partnerships, wherein the defectiveness of computerized synthesis slot of inventories with procurement systems obstructs the coordination of operations and eco-friendly (Sharma & Rathi, 2023); while the larger SMEs situated in the cities are moving forward in pioneering with electronic invention, the SMEs faced enormous hindrances in the access to technology as a result of financial restraints, minor web-proficiency, the absence of an educated labor force, and reluctance to develop in the distant region of Vijayapura, which all hinders the evolution of adjustable mechanical stocks solutions (Patil & Kumar, 2022); hence the premature inventory control practices in the Vjiayapura SMEs depict an index for the crucial call for regulation integration, financial motivation, market empowerment development processes to favor modernization, integrate supply chain coordination, and enable the utmost performance for vectoring the inventory practices of SMEs into on the global stage of competition in terms of growing economy (Rao et al., 2023).

***Adoption of Digital Technologies with reference to Percentage of SMEs using ERP, RFID, IoT, AI-driven tools:***

Yet, the penetration of digital technologies for inventory and material management among Small and Medium Enterprises (SMEs) in Vijayapura District remains limited, as only a small fraction of SMEs have adopted Enterprise Resource Planning (ERP) systems, Radio Frequency Identification (RFID) for tracking, Internet of Things (IoT) for real-time monitoring and Artificial Intelligence (AI)–driven tools for demand forecasting and supply chain optimization, where recent studies indicate that no more than 30% of the SMEs have implemented ERP systems, primarily due to high initial costs, lack of technical expertise, and limited awareness on the long-term benefits of integrated digital solutions (Jindal & Mehta, 2023); the RFID technology–with potential to increase inventory visibility and streamline warehouse operations–is even less common, where less than 20% of SMEs utilize this technology as the adoption is hindered by barriers to investment in RFID infrastructure and lack of trained personnel to manage such a technology (Kumar et al., 2022); Similar tradeoffs exist for IoT-enabled inventory management where integration can facilitate real-time stock tracking and enhance supply chain responsiveness but over 15–20% of SMEs in Vijayapura still report not implementing this solution, indicating that limited internet access, high data processing costs, and complex IoT integration into existing workflows remain common barriers to adoption (Patel & Gupta, 2023); AI-driven tools for predictive analytics and automated decision making are even less prevalent with only 10–12% of businesses using these tools as financial constraints and the perceived inapplicability of AI in small-scale operations remains a barrier towards adoption (Sharma & Kumar, 2022); highlighting a disparity in digital divide both between the districts urban and wider SMEs, the speculated lack of coherent policy, regulatory frameworks and digital ecosystem in Vijayapura District limits the potential benefits from such integrated digital solutions (Singh & Rathi, 2023).

## Conclusion and Recommendations :

This study highlights the critical challenges faced by **Small and Medium Enterprises (SMEs)** in **Vijayapura District** in managing their **inventory and material systems**, where the predominant reliance on **manual inventory systems** leads to significant **operational inefficiencies**, including **inventory discrepancies**, **overstocking**, **stockouts**, and **delayed order fulfillment**, which collectively impact **profitability** and **customer satisfaction**. Despite the growing recognition of the potential of **digital technologies**, such as **cloud-based ERP systems**, **IoT for real-time tracking**, **RFID for inventory monitoring**, and **AI-driven demand forecasting**, the **adoption of these technologies** remains relatively low, with only a small percentage of SMEs in the district utilizing these advanced systems due to **financial constraints**, **lack of digital literacy**, and **insufficient technical infrastructure**. As a result, many SMEs in **Vijayapura** continue to face **barriers to digital transformation**, thereby preventing them from capitalizing on the **efficiency-enhancing potential** of **Industry 4.0 solutions** to optimize **inventory management**, reduce **operational costs**, and improve **supply chain responsiveness**.

## Recommendations:

1. **Financial Support and Incentives**: To alleviate the **financial burden** faced by SMEs, it is recommended that local **government and financial institutions** offer **subsidies, low-interest loans**, and **tax incentives** for the adoption of **digital technologies**, thereby making **advanced inventory management solutions** more affordable and accessible.

2. **Training and Capacity Building**: A focused effort on **digital literacy** is essential to enable **SME owners** and **employees** to effectively use **ERP systems, AI tools**, and **IoT technologies**. **Workshops, webinars, and training programs** can be organized by **industry associations** and **government bodies** to build the **necessary skillsets** for digital tool implementation and management.

3. **Infrastructure Development**: **Improving internet connectivity** and providing **affordable IT infrastructure** is key to fostering a more conducive environment for digital adoption in **semi-urban areas** like **Vijayapura**. This could involve **partnerships with telecom companies** and **technology providers** to ensure that SMEs have access to the tools and infrastructure necessary for **successful digital integration**.

4. **Collaborations and Partnerships**: SMEs should collaborate with **technology providers** to **pilot digital solutions** tailored to their specific needs, such as **affordable cloud-based ERP systems** or **low-cost IoT devices**. **Public-private partnerships** can play a crucial role in facilitating these initiatives by providing **financial support**, **technical expertise**, and **best practices**.

5. **Government Policies and Regulations**: Government policies that **encourage digital adoption** through **incentive programs** and **regulatory frameworks** that promote data security, **transparency**, and **interoperability** will ensure that **SMEs** are able to make the transition to **digital inventory systems** smoothly and securely.

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