

## **Abstract**

*To increase net income, Organizations focus on reducing costs in their supply chains. A company needs to know how to measure Supply Chain Cost (SCC) In order to reduce costs. This paper aims to investigate Supply Chain Cost and how can be used in industry. A proposed model for measuring Supply Chain Cost has been provided in this study. 30 companies in 10 different business sectors were interviewed on how to measure costs in their supply chains, focused on identifying the difference on SCC based on estimated standard cost compared to actual cost. In this study, a case study describing the difference between measuring SCC based on calculated standard cost and actual cost has been provided, indicating that general thorough cost and supply chain analyses in many companies can be improved.*

**Keywords:** Supply Chain Cost, Measurement, Actual cost, Economic