Answer to the Question Number: 1
Outline the main benefits of a supply chain

- Producers place operations in the finest locations, regardless of the locations of their consumers.
- By focused operations in big facilities, producers can obtain economies of scale.
- Producers do not maintain huge stocks of finished goods, as these are detained further down the Supply chain closed to customers.
- Wholesalers put big orders, and producers pass on lesser unit costs in price discounts.
- Wholesalers maintain stocks from a lot of suppliers, giving retailers an alternative of goods.
- Wholesalers are close to retailers and have little lead times.
- Retailers take lesser stock as wholesalers offer reliable deliveries.
- Retailers can have minute operations, giving a reactive service close to customers.
- Transport is simpler, larger and fewer deliveries reducing costs. Organizations can expand expertise in particular kinds of operation.

Answer to the Question Number: 2
Five areas

- Production
- Inventory
- Location
- Transportation
- Information

Answer to the Question Number: 3
Inventory Management:

Inventory is spread throughout the entire supply chain and consists of everything from raw material to work in process to finished goods that are detained by the manufacturers, distributors, and retailers in a supply chain. Again, administrators must choose where they want to place themselves in the trade-off between efficiency and responsiveness. Holding large sum of inventory allows a business or a whole supply chain to be extremely responsive to variations in customer demand. However, the formation and storage of stock is a cost and to attain high levels of efficiency, the outlay of inventory should be reserved as low as possible.

Answer to the Question Number: 4
Short notes

a. Producers

These are the organizations that make a product. This includes businesses that are producers of raw materials and corporations that are makers of finished goods. Producers of raw materials are businesses that drill for oil and gas, mine for minerals, and cut timber. It also consists of organizations that raise animals, farm the land, or catch seafood. Producers of finished goods utilize the raw materials and subassemblies produced by other producers to make their products. In any supply chain, there is a variety of companies who perform different functions. Producers can make products that are not tangible items like music, software, entertainment, or designs. A product may also be a service like mowing a lawn, cleaning an office, performing surgery, or teaching a skill. In a lot of instances the producers of tangible, industrial products are shifting to areas of the world where there is costly labor. Producers in the developed world of Europe, North America, and parts of Asia are increasingly producers of non-tangible items and services.

b. Distributors

Distributors are businesses that take inventory in mass from producers and supply a bundle of associated product lines to consumers. Distributors are termed as wholesalers. They usually sell to other businesses and they sell products in bigger quantities than an individual customer would generally buy. Distributors cushion the producers from variations in product demand by stocking inventory and doing a lot of sales work to discover and service consumers. For the consumer, distributors complete the "Time and Place" function—they supply products when and where the consumer wants them. A distributor is normally a business that takes possession of important inventories of products that they purchase from producers and sell to customers. In addition to product advertising and sales, other functions the distributor carries out are inventory administration, warehouse operations, and product transportation along with customer support and post-sales service. A distributor may also be a business that only brokers a product between the manufacturer and the consumer and never takes possession of that product. This type of distributor performs mostly the functions of product advertising and sales. In both these cases, as the requirements of customers develop and the range of obtainable products changes, the distributor is the mediator that repeatedly tracks consumer needs and aligns them with products available.

c. Retailers:

Retailers stock inventory and sell in lesser quantities to the common public. This business also closely tracks the demands and preferences of the consumers that it sells to. It advertises to its consumers and often utilizes some blend of price, service, convenience and product selection, as the primary draw to attract consumers for the products it sells. Discount department stores draw customers using price and extensive product selection. Upscale specialty stores suggest an exclusive line of products and high levels of service. Fast food hotels use ease and low prices as their draw.