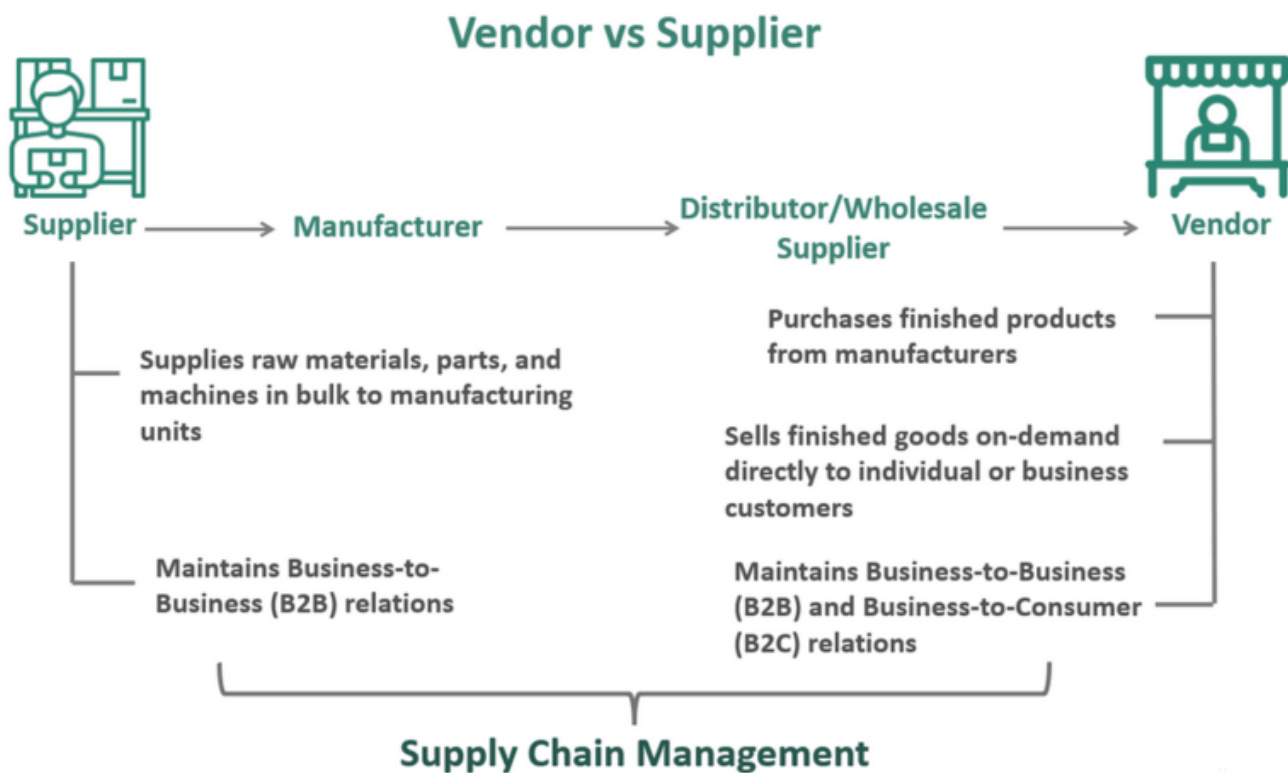# Supply chain participants

The supply chain holds these types of parties (in order from upstream to downstream):

- **Supplier** - is a person or business that provides raw materials, parts, and machines to manufacturing units
- **Manufacturer** - manufactures parts in a production process and sells his products
- **Distrubutor/Wholesale** - purchases and sells to vendors
- **Vendor** - products from upstream partners and sells then directly to customers
- **Customer** - purchases products

Differentiation between vendors and suppliers

Particulars	Vendors	Suppliers
Meaning	Purchase goods and services from manufacturers and directly distribute or sell them to consumers	Provide products and services to manufacturing units to produce finished goods
Objective	To meet the market demand by selling a wide variety of products to end-users for consumption	To provide processed or unprocessed primary commodities to businesses that manufacture or produce finished products for sale
SCM Link	Make a final link in the SCM connecting with customers	Form the first link in the SCM connecting to manufacturers, who connect with distributors and then with vendors

Business Relationship	Establish business-to-customer (B2C) and/or business-to-business (B2B) relationship	Maintain business-to-business (B2B) relationship only
Supply Volume	Sell small quantities of required products	Supply essential raw materials, tools, etc. to manufacturers in bulk
Relationship With Consumers	Direct	Indirect
Relationship With Manufacturers	Indirect	Direct
Level of Risk	Low due to on-demand supply	High due to bulk supply

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