[Name of the Writer]

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[Subject]

[Date]

**Answer A**

An information system can be seen as a set of parts which works together to make and distribute goods or services. Information technology is a set of computers attached to some telecommunication network so that information can be sent and received between company and other stakeholders.

In terms of a business, a set of players working together to satisfy the needs and wants of a specific market is a value chain. Information systems help in the delivery of goods or services by providing very precise information. In a car manufacturing company, these systems will help in identifying the needs and wants of a portion of customers. The databases will be used to store various aspects of customer’s needs and wants. These stored characteristics will be used to identify the changes which have to be brought in new products. The manufacturing department is using new automated systems to improve the precision of mechanical parts. In case of Porter’s supply chain model. The information system helps in inbound logistics by keeping an accurate and up-to-date record of the inventory at hand and the time after which fresh inventory will be needed. In the operations department, information systems help in the improvements in manufacturing. Outbound logistics include the distribution of finished goods to various points of sale. Marketing and sales use information systems to store relevant data about the needs and wants of its customers. This data is also used by service department to provide after sales services to customers. The human resource management use the systems to identify the specific expertise required to create value for customers. A database is used here to store the information of a large number of applicants. This database is used to identify the most appropriate person for any given job opening. Procurement also uses information systems to identify the parts or equipment which has to be purchased so that the organization can deliver value to its customers (AIMS Education).

**Answer B**

The information technology is primarily used by the sales department to sell the products with the help of internet and other related methods. The porter’s five forces model can also be studied in terms of value delivery to the customers. Since Walmart is using both information systems and information technology in an effective way, it has been able to decrease the bargaining power of suppliers which means that it can deliver better value to its customers. The company has powerful databases which form a part of information systems and an even stronger online sales presence which form the part of information technology. Both these aspects help the company in providing better value to its customers. The bargaining power of customer has increased especially because of information technology aspects. Internet selling has provided a large number of options to customers to choose from. Walmart uses the information systems to make sure that its purchases are in huge bulks. There is a very little chance that a customer will be sent back due to unavailability of any item on the shelves. Use of information system and information technology intensifies the competition between various companies. This competition forces Amazon to think about creating physical stores and Walmart to establish full fledge online sales platform. The information technology increases the threat of new entrants in the retail market. It is much easier for a group of persons to sell some products online. There are a large number of companies which are only selling online due to certain associated benefits. There is also a higher threat of substitute products due to involvement of Information systems and Information technology (Mehta).

# **Works Cited**

AIMS Education, UK. *What is Value Chain? Value Chain Definition, its Management and Analysis | AIMS Lecture*. 11 June 2016.

Mehta, Shradha. *Porter's five forces - Walmart*. 12 November 2016.