Add Title Here, up to 12 Words, on One to Two Lines

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Author Note

**Organizations and functions**

**Producers**

Producers or manufacturers make the product. This organization consists of the companies that are producers of raw materials and companies that are producers of the final product. Creators of raw materials are organizations that mine for minerals, drill for oil and gas, stitch clothes, make shoes, assemble electronics, cut timber, raise animals etc. Producers of any product use the raw materials and assemble them to create their products.

**Distributors**

They take stock in large amount from producers and deliver a bundle of related products to the customers. We also call them wholesalers. The distributors fulfill the Time and Place function for the customer. They deliver products as per customer’s demands.

Apart from sales and product promotion, distributor performs inventory management, warehouse operations, product transportation customer support and post sales service. The distributor is the mediator that tracks customer demands and updates about the products available. (marasco, 2014)

**Retailers**

Retailers stock the material for the products and sell in smaller portions to the public. This organization also keeps the track of demands of the customers. It promotes it to its customers and for that it usually uses price, product selection and service to attract customers for the products.

**Customers**

Customers are any organization that buys and use a product.  A customer organization could be an organization that purchases a product to combine it with another product that they sell to other customers afterward. In some cases, customer is the final end user of a product who buys the product and consumes it.

**3PL (Third-Party Logistics)**

Third party logistics in supply chain management help outsource elements of its distribution, warehousing, and fulfillment services. 3PL services provide value added services to Amazon.com. It helps the companies find more buyers and consumers that manufacture a product or sell it. The 3PL improve the logistics process. (3PLs) provide some services like warehousing operations, freight payments and auditing in Amazon. Here is an example of 3PL logistics. Writers, editors and graphic designers are employed by a publisher to produce publications, he might not be interested in them handling the consumer ordering process or transportation of the orders. The publisher will use a [fulfillment center](https://whatis.techtarget.com/definition/fulfillment-center) to work on its online orders and hire a trucking carrier. In this scenario, the fulfillment center and trucking carrier both act as 3PL supplier. The book publishing company can use 3PL services only when needed, which helps them control the costs more effectively. There are 4 different types of Third-Party logistics providers (Kay, 2019)

* Transportation
* Warehousing
* Distribution
* Shipping and receiving

3PL are used to improve supply chain in a number of different ways.

**Industry Experience and connections**

3PL mostly have the years of experience due to which they have resources and connections that help establish an efficient supply chain process. They have a huge knowledge of the market trends which can result in low costs and a wide range of options of services for the company.

**Reduce labor Cost**

When an order is outsourced, the cost of labor could be reduced. No need to hire workers for warehouse or to handle other tasks. A huge amount of money can be saved by having 3PL providers take care of warehouse management, all the transportation and distribution process.

**Accurate and efficient fulfillment**

The effortless and on-time flow of products is essential for a successful business. 3PL providers help with the shipment by using latest technologies in the process and have a thorough view of everything going on within the supply chain.

**Reverse Logistics Assistance**

In an online shopping business, a strong and efficient reverse logistics solution is crucial if the aim is to reduce the effort and increase revenue. These services offered by 3PL can make a huge difference in supply chain management process. They provide help in recycling the raw material and returned products. By making most out of the products and materials, they make their organization more environmentally friendly.

**Save time**

Outsourcing logistics saves a lot of time by eliminating the need for a lot of warehouses, technology and staff for transportation. They allow you to save a lot of money which helps you in growing globally with a huge return on investment. They handle everything on your behalf i.e. paperwork, staffing, training, shipping etc.

# References

Kay, T. (2019). How 3PL Services Add Value to Your Supply Chain. *Retrieved from Lean supply Solutions*, 34-35

Allen, M. C., & Black, R. (2014). How to Improve Supply Chain Learning in the 3PL Industry. *Retrieved from Research gate,* 23-24

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