

3.1 Methods of production	
Batch production	is found when a small number of identical products are made at once. Batches can be made as often as required.
Flow (mass) production	is a method of production where goods are produced continuously usually on a production <u>line</u> .
Job production	involves the manufacture of an individual good from start to finish. Each product is different and offers a unique good for the consumer or meets specific consumer requirements.

3.2 Quality	
Quality	involves meeting a standard for a good or service to meet consumer needs and expectations.
Quality assurance	is a guarantee given by producers to consumers that certain standards have been met throughout the production <u>process</u> .
Quality control	involves inspecting a sample of goods produced at the end of the production process to ensure that specifications have been met. Goods which do not meet the standards are either scrapped or are sold as seconds.

3.3 Supply chain	
Distribution	involves materials being transported or moved to the producer or the final product being moved to the consumer.
Distribution channels	involve the routes which goods follow between the manufacturer and the customer. The route may be direct between the <u>two</u> but the interaction of middlemen is more likely.
Just-in-case	traditional form of stock control where firms order stock which is stored in a warehouse. As stock is used and stock levels fall, orders are placed to replenish the quantity of stock held.
Just-in-time (JIT)	requires businesses who adopt the idea to keep their stocks of finished goods and materials to a minimum. Goods will only be produced when orders are <u>received</u> and materials are only ordered and received when they are needed. This process saves storage costs and avoids having assets tied up in stocks.
Logistics	involves the management of the movement of goods from where they are to where they are needed: often between the manufacturer and the consumer.
Multi-channel distribution	involves a business using more than one channel to distribute its goods perhaps through traditional shops and catalogues and online.
Procurement	involves obtaining or buying of goods and services from an external source. These are to be used in the production process or are to be sold on.
Supply chain	is the system of businesses, people, activities, information and resources involved in moving a good or service from source to <u>customer</u> .
Warehouse	is a place where resources or finished products are stored before they are sold.
Wholesaler	buys goods in bulk from the manufacturer and sells these goods in smaller quantities to retailers.

Tier 3 language

Logistics	Managing the movement of materials from production to sales
Quality	Ensuring that a product meets or exceeds customer expectations
Procurement	To gain access to a resource; to buy something
Retailer	A person or firm that sells products to customers

3.4 Sales process	
Customer service	involves the interaction between the business and the customer in which the business understands consumer needs before, during and after the sale of a good or service. Positive reactions to service can provide benefits for the businesses in relation to reputation and future sales.
Retailer	sells goods to consumers. Small retailers buy their stock from <u>wholesalers</u> but large-scale retailers buy directly from manufacturers.
Sales process	involves a series of steps taken from when the potential buyer meets the prospective seller until after the final sale is made.