Mapping Value Chains

# Definitions

Value Chain functions are those things that have to happen for a successful demand-driven value chain. There are transactional functions needed to deliver the product or service. These might include: producing, value-adding, aggregating, etc. Support functions include things like: research, development, financing, training, certification, etc.

Demand includes who will buy the goods and services produced and why they buy the goods and/or services. What does the value chain offer that they cannot already get?

Transactional partners are those people, businesses, or organizations that play a direct role in sourcing, producing, distributing and consuming the product or service. Transactional partners may include but are not limited to:

* Suppliers—Provide specific inputs to other Value Chain partners
* Producers—Create goods or services
* Aggregators—Bundle products or demand
* Distributers—Transport goods or services to retailers and consumers
* Wholesale Buyers—Purchase goods or services for resale
* Customers/Consumers—Purchase goods or services for direct use

Support partners are those people, businesses, or organizations that provide the infrastructure that helps the transactional partners obtain resources needed to produce their product and/or remove barriers to an effectively functioning value chain. Examples include: business and technical assistance programs, financing (philanthropic, debt and equity), policy and regulation, media, research, and capacity building.

Investors are those people who want to see your value chain succeed because its success gives them something that matters to them. In addition to profits, that might include environmental benefits, new relationships, economic equity, reduced crime, impact on a place they care about, opportunity to make a positive difference, avoided costs of existing programs, etc. Investors may contribute money or time, expertise, equipment, etc.