Critical Factors for Retailers & Manufacturers by Size
Small Chains and Small Manufacturers

Relevance to the Business
- “Us versus them” partnering and mindset
- Highly collaborative and partnership driven
- More innovation starts here
- Ability to excel in niche businesses
- Currently, small growing faster than large suppliers

Innovation
- Opportunity to test new items, promotions, and market strategies
- Innovation from smaller supplier may come first to small retailers

Distribution
- Laboratory for new product launches
- Home for more profitable niche brands
- More risk taking on both sides

Margins
- Fair terms for promotional funding
- Reasonable new item fees, if any
- Ability to test bigger themed events – holiday program
- Promotional flexibility

Quality of Representation
- Probably broker for small suppliers
- Senior leadership relationships
- Attends more trade events: NACDS, Total Store Expo
- Meet the Market essential for small suppliers
- More of a global view; less HQ team “myopia”

Risk
- Is the small supplier adequately funded?
- Is the small retailer an acquisition target?
- Has the small retailer carved out a substantial marketplace niche?

Collaborative Planning
- Annual promotional planning and agreement
- Easier access to category managers and divisional merchandise managers

Shopper Insights & Marketing
- Small supplier can enrich small retailer with national data, insights
- More athletic with social media (Facebook, Instagram) and omni-channel
- Aggressively pursuing the .com opportunity

Access to Senior Management
- President to President meetings – NACDS Annual
- VP to VP throughout the year

Scale
- Is business large enough to validate new item or promotion will deliver nationally?
- Minimum order quantities could impact new item launches and store brand opportunities