

GRIP

RETAILER REPORT
2021

EMPTY SHELVES

DON'T WRITE PAYCHECKS



HIGHLIGHTS

COVID EFFECT
ON SHELF AVAILABILITY
HOLIDAY SHOPPING
INVENTORY IS KING

STOCKOUTS

The Results from Empty Shelves are Many:

1. Lost sales
2. Reduced customer satisfaction
3. Loss of loyalty
4. Bad social media reviews
5. Lost customers
6. Loss of reputation

OSA

With so much competition, it's no wonder that your customers' user experience is a high priority. If they can't find the items on their shopping list and consistently have a negative experience at your store, they've got many other purchasing options to choose from. On-shelf availability (OSA) is an area where many retailers are struggling as we begin the recovery from COVID.

SUPPLY CHAIN DISRUPTION

Of the many lessons that we've learned from the Pandemic, one of the most important is how to manage supply chain shortages. A recent NY Times headline tells the story: "The World is Still Short of Everything. Get Used to It." This reflects the reality that we live in today. Challenges of this nature can make or break your business and without a solution, customers will go elsewhere. Some of the most notable items that are in short supply are home appliances, bicycles, laptops, and furniture but now, many other categories are experiencing the ripple effect. And to complicate things further, freight charges have increased over 500% in some markets and that's if you can get a commitment for shipping. In the end, without adequate inventory on the shelves and in transit, your company will suffer. We all thought the end was in sight, but it is not. Those empty shelves will not write paychecks for your staff.

Transportation Bottlenecks are Everywhere

Global trade counts on commercial freight companies and around half of the people that staff the ships are from developing nations where vaccine rollouts have been painfully slow. Many factories in countries that have rampant coronavirus infections have been forced to shut down, in some cases for the 2nd time. Enormous container shipments are effectively stuck outside major ports while more cargo continues to arrive, albeit slowly. "We are seeing a historic surge of cargo volume coming into our ports," Tom Bellerud, the chief of operations officer of Washington's Northwest Seaport Alliance, told NPR in June. "The terminals are having a difficult time keeping up with processing all the cargo off these vessels fast enough."

OUT OF STOCK MEANS OUT OF BUSINESS



THE IMPLICATIONS ARE CRITICAL

With the holidays around the corner, retail experts are predicting that the busiest shopping season of the year will be the “perfect storm” of supply chain bottlenecks. This will result in unhappy customers that will need to deal with higher prices if they can even get the products that they want and need. What was once a shortage of the basics like toilet paper, hand sanitizer, and disinfectants, now the list of back-ordered items has grown significantly including children’s toys, paint, pet supplies, cars, tech gadgets, lumber, tools, and more. These shortages are predicted to grow and may remain in place until 2022 or 2023. For solutions to these challenging times, reach out to GRIP to discuss your inventory needs.

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Elias Amash, President of GRIP, is an industry veteran with more than 25 years of experience in global sourcing, manufacturing, distribution, retail merchandising, fulfillment, marketing, technology, and operations. He is a trusted partner to hundreds of retailers and has “leveled up” the industry with GRIP’s undying commitment to offering only the highest levels of service to its customers. Amash has recently published *The Top 10 Most Important Lessons Book*. He is also the author of *The Retail Advantage: How to Win the War with Amazon*, *Retail Survival: Who Lives, Who Dies and Why*, *The Future of Retail*, *Importing from China: The Good, The Bad, and The Ugly*, and *101 Bright Ideas: Winning Tactics to Increase Retail Sales*. Visit www.eliasamash.com for more details and great content.

RETAILER ED

Your success is our priority. To support our retailer community, we provide a series of reports, articles and books that help you grow your retail business and compete in the new world of retail.

www.gripetailered.com

ABOUT GRIP

GRIP was incorporated by Charles Amash in 1980 and has grown into one of the nation’s top suppliers of innovative products to the retail industry. Located just south of Grand Rapids, Michigan, GRIP features a 200,000 sq ft state of the art warehouse facility including a 2,000 sq ft product showroom.

GRIP carries a product line of over 1,000 specialty tools, tarps, automotive, cargo control, cleaning, LED lighting, magnetics, outdoors, household items, impulse and general merchandise. GRIP has a proven track record of excellence in supplying retail clients with innovative products, timely fulfillment, and world-class customer support. At GRIP, everything is about earning your business...one customer at a time. It’s about building relationships and fostering business partnerships that will last long into the future. Our goal is to have Customers for Life. The future at GRIP is exciting and we’re hoping that you can be a part of it as one of our many Customers for Life.

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