

HOW TO BE A GREAT RETAIL BUYER

It's hard to be a retail buyer. Most buyers who are new to the game believe that buying is all about beating suppliers on cost – trying to get a better price for the needed products. It's an ongoing argument – the supplier telling you all about the products, how great they are, how much you need them for your business, but how difficult it has been for the supplier to import or manufacture due to labor shortages, supply chain disruption, inflation, and keeping up with new technologies. These are their reasons for needing you to pay the top price for the products.

Whether you're a new or even experienced buyer, you're up against these same issues. You've got your own labor shortages, paying higher prices for shipping and receiving, problems due to inflation and the pandemic, new technologies, timely order fulfillment and keeping up with all the new trends.

All of these problems and arguments lead to the same conclusion: how can we work together to achieve success? How can you partner with the supplier so that neither loses and you both win?

Naturally, it helps to be an experienced buyer, yet, being experienced takes time, and, of course, experience! Each new buyer can, however, take a look at a few suggestions to help achieve success sooner and with greater satisfaction and profit.

Here they are:

1. Build a great relationship

Being able to build relationships with suppliers is an important skill to achieve. A great relationship offers stability. A supplier will provide you with reliable products, prices and services for as long as that relationship lasts.

How do you build a great relationship? Honesty, trust and mutual respect are key in strong working relationships. Search for how you, the buyer, and your supplier can both come out on top. It's not always about price. And one of you doesn't have to be a loser.

Long-term reliability is a much more valuable asset for a buyer, even if it means you don't get the short-term cost cut. Suppliers will share information for upcoming projects unavailable to the public, and this inside information can promise huge benefits in the buying process – allowing for a much more accurate forecast.

Plus, look for those items that will help you far more than a mere cost cut. Find a way to participate with your supplier in their marketing, advertising, or customer service and you will come out ahead. It's a win-win.

2. Obtain Industry Knowledge

The first thing you need to understand is your industry. This means you should know the types of products that are available and the price they usually sell at, as well as their target customer's preferences. Without this information, you run the risk of purchasing stock that does not sell, or reducing your profit margin by paying too much per unit. Just a little research will help you obtain all you need to know. Having a strong relationship with your suppliers can also help with better understanding industry trends.

3. Become Organized

Another important characteristic of the best buyers is organization. It is not good to go into a meeting unprepared – you won't obtain a positive outcome. This means you should do your research, take time to determine priorities, get to know the products you want to buy, the manufacturer or supplier you are speaking with and find out how much room they have to negotiate. Bring any important documents with you if you are meeting a supplier in person, or have them available online if you are speaking remotely.

4. Develop a Real Passion for Products

Sharing your passion for the products you are sourcing will help to impress your suppliers. Making it clear you've done your research within your chosen market will also prevent them from suggesting any unreasonable prices. You'll know the truth! However, don't do or say anything that will make them mad. Remember, you want to develop a lasting relationship where your supplier likes and admires you and wants you to succeed with them. Your relationship with your suppliers is like a marathon, not a sprint. Invest your time in the relationship and over time you'll both be able to achieve your goals.

5. Choosing Brands and Suppliers

The job of a buyer begins with choosing brands or suppliers to work with, and if your company works on a global scale you'll have your share of frustrations. These global suppliers come with a string of potential roadblocks: culture, language and time zone and sometimes, all three at once. Different corners of the world have all sorts of different business practices. For example, diving straight into business before getting to know someone is heavily frowned upon in some countries, and during negotiations, you just can't use any pressure tactics.

It's important to listen and adapt to the environment. In any situation, do your homework into cultural practices wherever you go. It pays to have a supplier on this side of the ocean since many retailers underestimate what is involved in working directly with factories in Asia.

6. Don't Rush Into It

Patience is a key element in being a good buyer. The decision-making process can be tough but you will know when you find the right type of suppliers. Relationships take time to build, and selecting suppliers is an important aspect of being a great buyer. Find out as much as you can about your potential suppliers. Does your prospective supplier have a well-maintained repair and return system? There's more than spending money – everything must be followed through, and it takes a lot of persistence.

7. Communication

To be successful, buyers need great communication skills. Even though you often work on your own, you're a critical part of a team. You'll have repeated collaboration with salespeople, stock staff, managers and any other members of your team who can offer valuable input into what's happening with sales, customers and inventory — things you need to know. Keep an open line of communications and you'll be more prepared for what is coming in the future.

8. Learn About Your Products

Take the time to look into a product's target market and its competitors to see how it stacks up. In this day and age of social media, it helps to review customer testimonials on various websites.

A product's pricing is important, but not definitive, and after-sale support can make or break a brand. After-sales service is the support and help you give your customers after they've purchased your product. It might include advice on how to use your product, being available to answer questions, and checking in to see if they are satisfied with their purchase.

The responsibilities of a good buyer in retail are more complex than ever as the environment becomes increasingly more competitive and pressures on the role intensify. Are you comfortable with your abilities and making decisions based on your own analysis? If so, you probably have the confidence necessary to succeed as a buyer.

Do your best to work on these suggestions and you'll be well on your way to becoming a great buyer who can win and win big!

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About the Author:

Elias Amash, President of GRIP, is an industry veteran with more than 30 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 published several books: 8 Skills That Pay Off Forever, The Top 10 Most Important Lessons, The Retail Advantage: How to Win the War with Amazon, Retail Survival: Who Lives, Who Dies and Why, The 50 Most Important Lessons in Life, The Future of Retail, Importing from China: The Good, The Bad, and The Ugly, and 101 Bright Ideas: Winning Tactics to Increase Retail Sales.

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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