

The Importance of Having Reliable Suppliers for Retailers

What would you imagine is the most important thing for a store to have in the world of retail? If you said anything other than reliable suppliers, you would be wrong. For a retail store to have goods to sell, they need a supplier for those goods. It makes sense, right? Even more so, with everything going on in the world currently, between complicated supply chains and low levels of supplies, having a supplier that you can count on is the key to a successful retail business. In today's article, we will be covering just why a good supplier is so important, what makes a supplier worth retaining, and why you need more than just one if you want to make an impact. Let's go!

What do suppliers do?

We'll start at the bottom: a supplier is a business/person that provides goods or services to your business that allow your business to function. What they do may either help you make your own product or even provide the product entirely.

Think of your supplier as a middleman in the retail industry. They work between the manufacturer that provides materials/goods and your business, getting the product from one group to the other. Without this, a retail business wouldn't be able to have the quantity needed to make a profit.

Suppliers are the backbone of the retail industry, keeping things propped up and moving forward with production and profit.

What makes a good supplier?

So, what makes a supplier good to work with? There are the usual things: a fair price, reliable workers, quality performance, etc. However, there are some other things you should look at for a good supplier.

- **Excellent communication:** This is vital in the retail business. A good supplier that you would want to work with will be proactive about keeping you updated on a regular basis and is able to answer calls and respond quickly to questions.
- **Provide industry insight:** A good supplier will also do their best to keep you in the know on things going on with your industry, such as potential problems, industry trends, and best practices to keep in mind. Did you know that material lead times are still hovering around 85% higher than they were pre-pandemic? This means that it will take longer to get many materials that could be key to your business flow. A good supplier would clue you in on this type of info and stock inventory for you.
- **Accountability:** If there is a problem, a good supplier should be willing to own up to their mistakes and work quickly to fix them.
- **Culture fit:** This one is a bit more important for smaller retailers but finding a supplier whose ideals match up with your business is very important. Your

business may have very specific needs and having a supplier who will get those needs met because they understand will be very beneficial.

Benefits of a good working relationship with suppliers?

Having a secure and mutually beneficial working relationship with your suppliers does come with its perks! If you treat them well and they do right by your business, then all parties will profit and win.

- **Efficiency:** As you work more with your suppliers, you will learn more about each other's businesses and find ways to streamline the process and make it more efficient.
- **Better prices:** If you stick with your suppliers and treat them right, you could find yourself catching some savings later down the line. If they come into a good deal and you've been working well together, chances are that they will pass those savings along to you.
- **Less volatility:** In today's market, finding and working well with a few key suppliers will help in case of shortages, market changes, and more. Again, if you treat your suppliers well and they are willing to do the same for you, you will be safer when it comes to any supply chain issues.

Why you need US based suppliers to succeed.

In a June article from The Guardian, several people speculated about the continuing difficulty of supply chain flow. When the pandemic struck and everything shut down, that included almost the entire supply chain flow out of China, especially. If you know anything about the US economy, you know that we rely heavily on imports to keep things running smoothly here. Although things have loosened up a bit, there is one thing that was made clear: Western retailers need to diversify their suppliers and find US based distributors that have inventory in stock. Brandon Daniels, a chief executive with Exiger, stated that "The diversification of our supply chains is critical to our economic prosperity and national security."

He isn't wrong. Having a Chinese based supplier could be dangerous. It is absolutely essential for a business to ensure that they can always get what they need when they need it. If retailers don't have what they need to provide a customer, then they're basically dead in the water.

Now let's recap what we've talked about here. Reliable suppliers are crucial to retailers and their businesses. Without them, there would be no business because there would be little to no profit. Some signs of a good supplier are good communication, fair prices, and quality work performance. You also need to make sure to have more US based suppliers, in case things get dicey again with the supply chain. Above all, retailers need to have a good working relationship with their suppliers to make the most out of this arrangement. Now that you know what you're looking for, we hope you will consider GRIP as your number 1 US based supplier!

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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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GRIP Online Catalog: <https://Gripontools.dcatalog.com/v/Grip-Catalog-2022/>

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