



Small Businesses Share Their Strategies

GS1 US Small Business Roundtable

June 8 • GS1 Connect 2022 • San Diego, CA

Overview

Nine participants, including founders and executives in charge of operations at small businesses, most with under \$1 million in revenue, gathered for an interactive discussion at GS1 Connect[®], the annual conference hosted by GS1 US[®]. They came from a variety of age groups and backgrounds and had varying degrees of experience in the retail world. While the discussion covered many challenges and opportunities, three key themes emerged.

Attendees

- Andreas Andrea, Bala Bangles
- Austin Brown, Tennecanna
- John Fitzpatrick, Realnique
- Sonya Hernandez, Recover Restore Gro
- Joelle Mertz, Kitchen Concepts Unlimited
- Adam Mucci, Crafted Brand Company
- Graham Sorkin, The Functional Chocolate Company
- Lorraine Stone, Mr. Texas Barbecue
- Felicia Vieira, Crafted Brand Company



Starting Up: Confirming your idea is viable

The attendees discussed the need to identify and learn about their target market. Understanding if the product met a need and if it could find a niche was a challenge many participants experienced. Research took on multiple forms, including online research and in-person learning (e.g., impromptu discussions at baseball games, the airport, and tradeshows to test the idea).

Today, getting the product made and packaged in an efficient way remains a major problem, stemming from the disruption caused by the pandemic's onset. Each company faces sourcing challenges, but ultimately the participants reflected that flexibility is key when starting up—it's never "I can't do that," and there needs to be an openness to pivoting to find other options when roadblocks arise.



It's never 'I can't do that.' There needs to be an openness to pivoting.

— Graham Sorkin, The Functional Chocolate Company



2



Supply Chain Challenges: Increased costs, longer timelines, and missed opportunities

Almost all participants said they saw raw material costs increase significantly after the height of the COVID-19 pandemic, ranging from 25%-100%, and that supply chain visibility is a concern. Some businesses even had to miss holiday opportunities due to containers being stuck in port and

rising shipping costs. Many businesses are conducting research and exploring how to adapt to a shorter supply chain. Several were determining how GS1 Standards can support adding flexibility into their partner relationships.

Overall, the group agreed on two important tips related to managing your supply chain:

Diversify your vendor network



If one vendor drops the ball, it will impact your entire supply chain.

Forecast, forecast, forecast



If you can, forecast at least a year out. Give everyone in your supply chain as much information as possible to know what is coming down the pipeline. You need to keep everyone informed in order to know what you have on hand to sell.

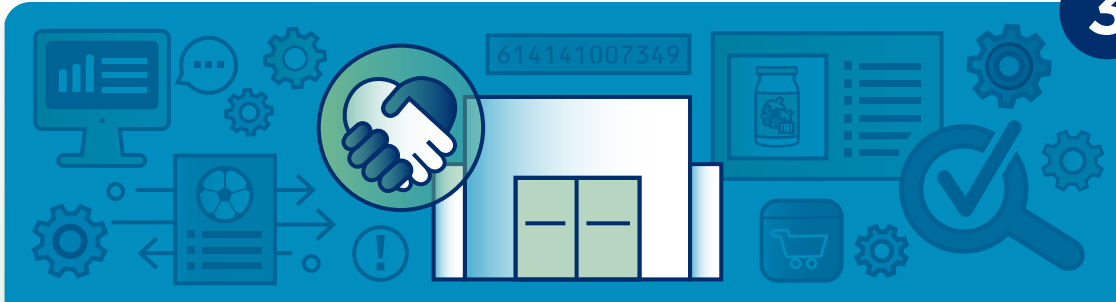


There's a benefit to managing growth. Uncontrolled growth is like going from elementary school to college overnight.

— Adam Mucci, Crafted Brand Company



3



Retailer Relationships: Small steps to help attract, maintain, and grow the right partners

Some participants suggested pursuing a controlled market (200 stores or less) to ensure better control over business growth. Others thought that starting with the larger retailers and getting to know their detailed processes first made future efforts infinitely

easier. There was no question among the group that whether you are working with a large retail chain or a few small independent or regional stores, you have to follow their guidelines and rules very carefully, including the way that GS1 Standards are used.

For example, the vendor onboarding process varies by retailer, and patience is key at this stage.

One supermarket can have a months-long onboarding process, while another takes under an hour. Even with retailer tools and portals to help, the small businesses that participated felt that they were often reacting to many unforeseen challenges when it came to the adoption of supply chain standards, including barcodes and identification numbers. Retailer manuals are often the first place they hear of terms like Electronic Data Interchange (EDI), Global Location Numbers (GLN), and GS1-128 barcodes, which are all GS1 Standards that play different roles in the movement of goods from brands to retailers.

Many partner with solution providers for EDI integration so that they can communicate product information more smoothly with retailer systems. Some also described how their relationships with brokers are helpful, as brokers often assist with helping businesses get to know the data requirements for particular retailers and help them measure sales performance.



Most entrepreneurs are accustomed to dealing with uncertainty and drive their businesses forward anyway, despite challenges and setbacks. As the U.S. emerges from the life-changing events of the past two years, small businesses seem to be doubling down on their ability to pivot and change right along with consumer behavior, retailers, and the supply chain. Understanding concepts like data exchange, identifying products with barcodes, and finding the right partners to propel them further toward success are more important than ever before. GS1 US offers a variety of educational resources and tools to help small businesses grow.

Learn more at www.gs1us.org



Remember that whatever challenge comes next, you still know your products better than anybody.

— Joelle Mertz, Kitchen Concepts Unlimited

GS1 US Corporate Headquarters

Princeton South Corporate Center, 300 Charles Ewing Boulevard
Ewing, NJ 08628 USA
T +1 937.435.3870 | E info@gs1us.org
www.gs1us.org

Connect With Us

