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### *Retailers not very invested in vendors?*

I want to be very careful that I do not misinterpret any statistics, so it is beneficial that I begin with this disclaimer. However, the survey results from the November-December 2016 issue of Innovative Retail Technologies ([www.innovativeretailtechnologies.com](http://www.innovativeretailtechnologies.com)) magazine do appear rather self-explanatory in their meaning. While the article does not state how many retailers were surveyed, the variety of retailers included those representing specialty apparel, big-box retail, and grocery.

The survey question "In 2017, what supply chain / logistics solutions will your company invest in?" garnered the following responses reordered in high to low order:

- Inventory Management Visibility: 37%
- Price Management: 26%
- Warehouse Management: 25%
- Radio Frequency Identification: 24%
- Order Management / Fulfillment: 23%
- Shipping Solutions: 23%
- Sourcing: 20%
- Returns Management: 17%
- Electronic Data Interchange (EDI): 17%
- Vendor Compliance: 16%
- Mobile for Distribution Center Associates: 14%

(Note that Mobile Devices for in-store Associates was the #1 priority for in-store hardware investments at 37%.)

In the above list, EDI and Vendor Compliance investments rank just above the bottom of the list.

With all of the complaining and frustrations spouted by retailers about underperforming supply chains and disruptive vendors, I find it quite curious that retailers are committing so very little towards improving their supply chain relationships with their vendor community. The survey noted the focus on inventory visibility and customer-relationship management initiatives and technologies which is all well and good and fine. But without solid vendor relationships as the driving force, no amount of visibility or customer relationship is going to help.

Granted, EDI has been around for several decades now, so maybe the need for continued advanced investment is declining and retailers are more in maintenance mode. However, I can state from my own experience in helping numerous vendors that retailers are doing an exceptionally poor job in writing their specifications clearly and sticking to the standards. By passing problems to the vendor community it compounds confusion many times over. It is no wonder that vendors are struggling and supply chains are suffering delays and disruptions. The results are higher-than-should-be costs to run and manage supply chains by both customer and vendor alike.

Retailers need to strengthen their relationships with their vendors which starts with a self-examination of what they – the retailers – are doing wrong as lead partners in this relationship, which is plenty.

To order a copy of my groundbreaking book, "Successful Supply Chain Vendor Compliance", to view my November 30, 2016 videocast by Supply Chain Digest, to read book reviews by supply chain magazines, or to learn more, just start by going to [www.vendorcompliance.info](http://www.vendorcompliance.info).

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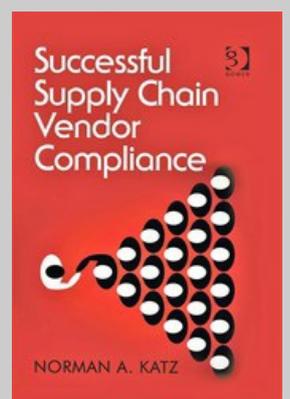
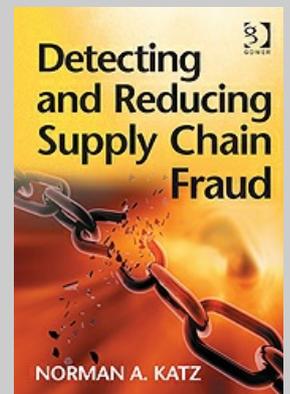


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