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INDEPENDENT RETAILERS CITE SIZE AS AN ADVANTAGE AS LARGE CHAIN RETAILERS WEATHER SEISMIC SHIFTS

NATIONAL SURVEY POINTS TO SERVICE, PRODUCT EXPERTISE, AND CONNECTION WITH LOCAL COMMUNITIES AS DISTINCT STRENGTHS FOR INDEPENDENTS

Chicago, IL (December 6, 2017) – A new national survey of independent retailers finds that shifts in the retail sector are playing out differently for independents than they are for chains. Two-thirds of survey respondents report that their smaller size and greater understanding of their local markets makes them more nimble than national chains and better positioned to respond to shifts in their sector.

“This research confirms our observations: even in the face of intense competition from Amazon and other online retailers, independent retailers understand their competitive advantages and they are working to leverage them at a time when retail is going through significant changes,” said Kimberly Mosley, President of the American Specialty Toy Retailing Association (ASTRA). “From product expertise to in-store events, independent retailers are connected to their customers and their community in ways unmatched by online or mass market.”

The survey comes as national chains are declaring bankruptcy, malls are going dark, and e-commerce continues to grow. Headlines have started referring to a “historic tipping point” for American retail. Reporting on this issue, however, has focused almost exclusively on national chains.

The survey, which was conducted by Advocates for Independent Business (AIB), gathered data from over 850 independent retailers in 49 U.S. states. Their responses yield valuable insight into how independent businesses are responding to the changing landscape — and about how they perceive the way their distinct attributes set them apart from retail chains and from Amazon.

“Organizations like ASTRA and other associations that comprise AIB provide resources that independent retailers use their strengths creatively,” said Mosley. “ASTRA offers several ways for its members to share what-works ideas through our ASTRA Connect community and educational opportunities year round and at our annual ASTRA Marketplace & Academy.”

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Other findings include:

- 83% report that there have been chain store closures in their area that have left behind vacant spaces, and 17% describe the extent of these closures as “significant.”
- A majority of survey respondents — 51% — report that they see opportunities for independents in widespread chain store closures.
- While respondents believe that independents are better positioned to survive Amazon’s growth, 90% of respondents also report that Amazon is having a negative impact on their business.
- Despite the ways that these shifts are poised to impact local economies, only 9% of survey respondents say that there has been “a lot” of discussion and coverage of the issue locally, and 43% say that there’s been “very little” or “none.”

“These findings provide valuable insights for local officials assessing how best to sustain the economic vitality of their communities,” said Stacy Mitchell, co-director of the Institute for Local Self-Reliance, which conducted the survey on behalf of Advocates for Independent Business. “While many malls and chain stores are going dark, independent retailers are a better bet for the future. Many offer distinct attributes that customers can’t find at Amazon or most chain stores, and they have something more to offer their communities. For these small businesses to thrive though, officials need to do more to ensure they have a level playing field.”

Advocates for Independent Business is a coalition of 10 national trade associations and allied organizations that represent locally owned, independent businesses. The full report can be viewed at ndiebizadvocates.org/2017/11/15/changing-retail-landscape.

About the American Specialty Toy Retailing Association (ASTRA)

Founded in 1992, the American Specialty Toy Retailing Association (ASTRA) is an international not-for-profit trade organization that serves more than 1,800 independent retailers, manufacturers and sales representatives in the specialty toy industry. ASTRA is a community of dedicated professionals committed to providing children with healthy, quality play materials that have high play value and are designed with a focus on what the child can do, rather than what the toy can do. ASTRA members are leaders who, through their businesses, make a positive impact on the economy and culture of the communities they serve. For more information, visit www.astratoy.org/.

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