

Contact: Olivia LaVecchia, Olivia@ilsr.org, (612) 808-0828

## Independent Businesses Report Advantages in Weathering Retail Storm, New Survey Finds

*While most independent retailers say the growth of Amazon is negatively affecting their businesses, a large share also report being better positioned than many national chains to weather the seismic shifts underway in the retail industry.*

Nov. 15, 2017 (Washington, D.C.) — 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.

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, **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.

The survey’s findings include:

- **Two-thirds** of survey respondents report that, despite their smaller size, they have been able to respond to shifts in their sector **as well as or better than** national chains have.
- Independent retailers identify **distinct characteristics that they say give independents an advantage over chains as the retail landscape changes.** Survey respondents cite four qualities as especially important: Personalized service, connection with community, product expertise, and the events and experience they provide in their stores.
- 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.”**

The survey report also includes vivid comments from independent business owners that **capture their experiences in their own words**. Advocates for Independent Business is available to connect reporters with nearby independent business owners for interviews about how they're seeing these issues play out in their businesses and communities.

The report, "Independent Retailers and the Changing Retail Landscape," is available at this link: [indiebizadvocates.org/2017/11/15/changing-retail-landscape](http://indiebizadvocates.org/2017/11/15/changing-retail-landscape)

"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.

Several national business groups offered reactions to the survey's findings:

"It's clear that consumers have discovered that independent bookstores, along with our other Main Street businesses, offer incomparable value," said Oren Teicher, CEO of the **American Booksellers Association**. Teicher noted that there has been a 35 percent increase in the number of independent bookstore locations in the US since 2009. "The continued strength of independent bookselling reflects the critical importance of localism and community to consumers. By focusing on their unique strengths – helping customers find just the right book, creating engaging events, instilling a love of reading in children — bookstores provide consumers with much more for their dollar than a faceless online retailer ever could."

"This research confirms our observations: independent retailers are here to stay. 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," said Kimberly Mosley, President of the **American Specialty Toy Retailing Association**.

"The resiliency of specialty running stores across the country is remarkable, considering the negative impact that online marketplaces have had on other channels of retail. We're clearly seeing that small doesn't mean a lack of competitiveness," said Terry Schalow, Executive Director of the **Running Industry Association**. "To the contrary, 'specialty retail' translates to being nimble and adaptable. These retailers connect with their communities, present compelling and comfortable shopping environments, curate product assortments that surprise and delight their customers, and of course, offer one-on-one expertise that simply cannot be duplicated."

“In the wake of these findings, it’s important now more than ever for independent business owners to grow their community connections and increase their online visibility,” said Bill Brunelle, co-founder of **Independent We Stand**.

Also available for comment are:

Mark Simon, Executive Director of **Brixy**

Grady Taylor, EVP of Member Services, **TriMega Purchasing Association**

— End —