



## **Gift Industry Independents: Strength in Numbers**

Provided by: [GAIN](#)

*Did you know that independent retailers make up nearly 75% of the gift industry market? It has long been thought that with the rise of retail giants like Amazon, Walmart and Target, that the days of the independent retailer were numbered. Industry data, however, tells another story.*

The interchange database of industry credit group, GAIN (Gift Associates Interchange Network) indicates there are approximately 240,000 gift industry purchasers, accounting for \$5.1 billion in annual outstanding accounts receivables. Of that number, the Top 100 retailers - who include big box retailers like Walmart and Target and online giants like Amazon - represent nearly \$1.3 billion of those receivables.

Per the group's domestic data, approximately 85,000 independent retailers make regular purchases within the gift industry (some may be one-time buyers) and they secure terms to do so (30-, 60-, 90-day net, for example). These numbers don't include retailers who drive their businesses through credit cards.

### **Data Intelligence Tells a Story of Industry Health**

The approximately 85,000 accounts from independent retailers account for \$3.7 billion in accounts receivables. This is this significant! While some suggest the retail base for the gift industry might be shrinking, data tells a different story.

When digesting the numbers, it's clear to see that the combined purchasing power of independent retailers contributes to the majority of sales in today's gift industry. Increased consumer confidence in recent months, coupled with the purchasing power of the (still working) baby boomer generation, indicates that the landscape of retail is healthy.

### **Sharing Credit Knowledge**

As GAIN exemplifies, industry credit groups provide more than simple credit reporting. These member-driven associations allow members to supply customer payment experience and other historical credit information to the group for aggregated industry-specific data for the membership. The timeliness of this information, compared to that from larger credit agencies, gives credit group members an advantage over their non-member peers.

According to supplier members, they are more likely to extend credit to retailers who have been assessed by the organization than through traditional credit services, often creating credit opportunities that might not otherwise exist. In

addition to gaining approved customers and achieving decreased order processing time, credit group members can save substantial dollars when bad-debt write-offs combine with credit bureau report savings. Credit groups also provide for education and networking opportunities through meetings and events.

A longtime credit group member states, "Involvement with our industry credit group has helped streamline our credit process, allowing us to make informed decisions. Avoiding just one negative credit experience has easily covered the cost of membership."

There is strength in numbers and knowledge is power. The resources available via industry credit groups help independent retailers make informed credit decisions. By participating in industry credit groups these merchants can continue to compete - and even flourish - in the long term.



The Gift Associates Interchange Network (GAIN) is a member-driven association of more than 200 credit professionals in the giftware, greeting card, home décor, specialty foods, toys and related industries. GAIN is serviced by ABC-Amega, who has been managing credit interchange groups for over 50 years.

GAIN's objective is to maintain a robust network of forward thinking companies in the giftware and related industries for the purpose of providing credit data, sharing ideas, and offering education to support informed decision-making while avoiding credit risks.

For more information about GAIN, please visit [www.gaingroup.com](http://www.gaingroup.com) or contact ABC-Amega's Credit Services team at 1-844-GoAmega (462-6342).

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