

Key Findings - By Business Type

View findings by business type: Wholesale

Wholesale

Wholesalers who responded to the 2005 Sage Software Business Minds Survey have seen revenues go up for the most part, but a full 24% suffered revenue declines last year, and slightly more, 26%, reported a decline in profit, making wholesale the industry with the highest number reporting a bad revenue and profit year. The flip side, of course, is that 61% reported increased revenue and 48% were profitable. Whatever bite in profitability that wholesalers experienced appears to be attributable to the pressures of competitive pricing, since an overwhelming 73% cite pricing as the main pressure on their business.

↓ 24%

Wholesalers reporting decreased revenue

↓ 26%

Wholesalers reporting decreased profits

↑ 61%

Wholesalers reporting increased revenue

↑ 48%

Wholesalers reporting increased profits

Of note for wholesale companies:

- Revenue last year up for 61%, down for 24%, and even for 16%.
- Pressure on the business is felt almost exclusively by pricing, with 73% of wholesalers citing it vs. 48% of all businesses. Skills shortage and marketing pressures follow, both cited by 10% of wholesalers.
- New technology purchases by wholesalers are most influenced by a desire to expand the customer base (69%), followed by suppliers adopting new technology, at 40%, vs. 24% average — the highest among all industries.