

 **CHRISTIE & CO**

**BUSINESS OUTLOOK 2023**

# FINDING CLARITY

**ORRIDGE**



**DARREN FLACK**  
Managing Director



**ORRIDGE**  
the Company that Counts

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## RETAIL

Retail was tested in 2022 by the cost-of-living crisis, inflationary pressures, supply chain issues and labour market conditions. Some sub-sectors are more resilient to these challenges than others, but none are immune. The supply of fuel and raw materials has increased the cost of operating and supply chains have been impacted by Russia's invasion of Ukraine. COVID-19 remains a concern (albeit to a lesser extent) as new variants emerge and, although supply of stock is improving, it hasn't returned to being optimal yet. Online retail market share continues to gradually increase as expected.

The future for the sector is still exciting despite these challenges. New consumer behaviour is being responded to with product and business model innovation, including technological innovation that is creating a more immersive online experience and more relevant in-store offerings. The Retail sector has faced harsh challenges before and has demonstrated resilience and the ability to overcome them.

Retail's appetite for our core store stocktaking services remains strong. The sector's labour availability challenges have created new opportunities to support our customers' other stock-related objectives. Gaining reliable stock data and management information remains essential and the additional operational, stock availability and sales-related benefits are more important to our customers than they have ever been.

Our supply chain audit services continue to gain more interest, from existing and new customers.

## CASE STUDY



### ONE STOP

Since 2021, we have provided delivery accuracy services to One Stop's stores. Previously, lots of store employees' time was being consumed with checking direct-to-store supplier deliveries. The Orridge solution eradicates this task and provides One Stop with a comprehensive, insightful view of delivery accuracy, enabling concentration on root cause resolution.

As retailers' stock management strategies develop, to become more comprehensive, in-store stocktaking and supply chain audit work's intrinsic link is becoming clearer. The behaviour of existing customers and our activity with prospective customers indicates that Retail will increasingly outsource stocktaking services in the future.

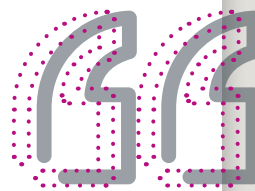
## PHARMACY

The Pharmacy sector is increasingly essential as its remit widens to provide more services to the community. Significant resourcing challenges apply, community pharmacies being disproportionately affected. Margins are being squeezed by imposed price increases on certain medicines and more general cost increases are being absorbed.

Dispensing activity has increased. Online dispensing is gaining market share; independents are demonstrably able to compete and have the advantage of being able to offer other services and patient support. When GP's hands-on services remained inaccessible, patients turned to pharmacies for primary care instead.

The number of pharmacies in the UK remains reasonably consistent to previous years.

Existing customer and new customer behaviour indicates that gaining reliable stock valuation data is indispensable; therefore, we predict that market demand for quality stocktaking services will remain strong in the future.



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