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For retailers, the next 12-18 months will be a period of buoyant sales, with strong like-for-like growth, across all key categories. It is important to note, however, that this growth will mask weaknesses in business profitability. Companies will have to fight harder to compete on price with competitors with lower cost bases and rapidly growing volumes. Price transparency will also become a major challenge, as consumers can now quickly search and compare prices both online and in-store. For suppliers, the much-needed growth in volumes will be a huge relief. However, after managing supply chains and stock levels so efficiently in recent years, meeting the uplift in volumes may be difficult for many suppliers. Finally, renewed price pressure from large retail customers will make things more difficult. As retailers reduce prices to be more competitive, suppliers will also be met with demands for lower prices, increased commercial support and extended terms. We have already seen growing evidence of this from at least three retailers in the first five months of this year.

What is behind the success of the successful suppliers in the industry? Is it about innovation or price, or a bit of both?

Having worked closely alongside a growing number of suppliers to the industry in the last four years, I believe success can be tied down to three specific areas - brands, innovation and flexibility. A good brand is your single point of difference in a market full of competitors, and once this is combined with innovation, not just in terms of new products, but in all areas - services, point of sale, packaging, logistics etc. - then you have a powerful proposition. If this innovation can then be tailored to the individual needs of the major customers, (who are all desperate to differentiate themselves from their competitors) then you have a winning formula. From a supplier's perspective, price is unlikely to deliver a sustainable point of difference, as there will always be another company, somewhere, looking to undercut you.

Fast forward to 2020; what does the home improvement industry look like in your opinion?

By 2020, store consolidation will have played a major role in changing the face of the industry. It's now a commonly held belief within the boardrooms of the major retailers that a national spread of no more than 120 stores, coupled with a very effective omni-channel approach, is the correct model for the future. Consolidation is also likely to pick up pace, as the larger retailers realise that they can't see off the new breed of online competitors, and decide to acquire them for brands, logistics expertise and more importantly, customer databases.

What do you enjoy most about working in the home improvement sector?

Right at this moment in time, every business in the sector, whether it's a supplier or retailer, is facing extremely complex strategic challenges, which makes it an incredibly dynamic, rewarding and interesting industry to work in. It's also true, that many people, like myself, have been involved in the industry for a number of years, and that combination of experience, expertise and long standing relationships, also makes the sector particularly special.

Nigel Wright's Charity of choice



We are proud to announce that Cancer Research is our UK charity of choice for 2014/2015.

Our fundraising target for this year is £15,000, a large part of which we actually raised during the Nigel Wright National Three Peaks Challenge, which took place in July.

This involved walking the highest mountains in Scotland, England and Wales, all in the space of 24 hours. Seventeen members of staff from our UK and international offices signed up for this challenge, which is considered to be the toughest endurance event for non-professional athletes, and they all completed the course.

In total, the team raised an extraordinary £12,467 for Cancer Research UK!

Throughout the year, we will also be organising a number of other fundraising events such as sporting challenges, wine tastings, networking presentations, and cake/bake sales.

If you would like to contribute to any of our other fundraising initiatives, please visit our company's JustGiving page at www.justgiving.com/company/NWC

ABOUT CANCER RESEARCH UK

Cancer Research is the world's leading charity dedicated to beating cancer through research. They have saved millions of lives by discovering new ways to prevent, diagnose and treat cancer, and survival has doubled over the past 40 years. Every day in the UK there are more than 400 people diagnosed with cancer that will survive the disease for more than 10 years thanks to research.