

# Rising to the challenge: Integra's vision for future-proofing dealer businesses

Integra CEO AIDAN MCDONOUGH reflects on 2023 and outlines how dealers can ensure their business is fit for the future



**D**ntegra has had an interesting 2023 so far. New partnerships have been formed, new initiatives launched, and progress made to help dealers tackle some of the most challenging aspects of business today. Summing up the year to date, Integra CEO Aidan McDonough noted, "The first half of 2023, whilst challenging, has been relatively stable with figures showing an improvement against 2022."

Aidan notes that the product mix continues to diversify amongst Integra dealers, particularly noting healthy growth in categories including workwear, facilities supply, packaging, furniture and technology. Indeed, Dealer Support's State of the Industry survey earlier this year showed that most dealers were actively looking to diversify, with many of these categories named as targets for future growth.

Of course, alongside growth and diversification, Integra's dealers have been coping with some headwinds this year, as Aidan confirmed. "Price volatility and stock issues have started to settle, although increased operating costs and high inflation

still impact dealers' overall profitability. On a positive note, we know that independent dealers can adapt quickly and have the resilience to overcome the challenges – clearly demonstrated over the last three years."

## SUPPORTING DIVERSIFICATION

Part of Integra's role as a leading dealer group is to support its members to achieve their goals. When it comes to diversification, the supporting function of this dealer group ranges from training and marketing support to forming new partnerships with diverse suppliers to make it easy for members to access the products they want to sell.

"We will carry on extending our supplier portfolio, which already includes leading suppliers and distributors in areas such as workwear, PPE, promotional merchandise, education, packaging, medical supplies and health and wellbeing, to name a few," Aidan shared. "We recently introduced FP Tools, Neomounts, Martello and DDC, with some more in the pipeline. Some of the highlights looking at our H1 2022 vs 2023 figures are education and core facilities supplies sales up by over 37% with workwear up by 11% - all encouraging signs."

Aidan stressed the importance of diversification for dealers who want to future-proof their businesses. Demand for traditional office products continues to decline, but with that comes an opportunity for intrepid dealers to bolt on additional products that complement their existing portfolio. Integra aims to make this transition as smooth as possible, with training, marketing support and standardisation of data for back office and e-commerce solutions being key to success.

#### MAKING SUSTAINABILITY EASY

Moving along the pathway towards net zero is complex for dealers, and something that often falls by the wayside in favour of more day-to-day challenges. Nonetheless, it's an important element of future-proofing businesses, as Aidan notes, "There is mounting pressure on dealers when it comes to sustainability both in terms of products but also their own environmental credentials."

Integra has formed a number of partnerships designed to support members with their sustainability efforts. The Planet Mark is one such partnership, but the help doesn't end there. Launched in 2022, the 'Green Initiative' Portal is Integra's carbon footprinting tool, developed in partnership with Compare Your Footprint, allowing dealers to measure their carbon emissions with no specialist knowledge required. Through the portal, dealers can benchmark their organisations against others in their industry, track progress to driving down CO<sub>2</sub>, and better understand scope 1, 2 and 3 emissions in their business.

"We are seeing more and more demand from business consumers when it comes to carbon reporting and environmentally responsible products, so this will become increasingly important," Aidan added. "We will undoubtedly see more members adopting these initiatives over the next few years."

## Independent dealers can adapt quickly and have the resilience to overcome challenges

Alongside carbon calculations, Integra has worked hard to give its dealers access to products that have better sustainability credentials. Throughout recent years, it has been working hard to remove single-use plastics from its own brand, Initiative, and to include new product ranges that can minimise carbon footprints.

#### REPRESENTING THE RESELLERS

Partnerships at Integra don't stop at those that directly benefit its members. Aidan is chairing a new BOSS Special Interest Group that brings together UK Dealer Groups Advantia, Integra Business Solutions, Office Friendly, Nectere, NEMO Office Club, Superstat and dealer solutions provider Office Power to highlight issues that affect dealers, providing a mouthpiece for the community to communicate with the wider industry and government. Although it's still early days, Aidan is positive about the role this group will play in shaping the business environment for the future.

"At this stage, it's a real pleasure to sit in a room with the team and share the challenges we all face," Aidan commented. "Critical to me is that it gives BOSS a real insight into the reseller channel and hopefully helps to shape the BOSS offering moving forward and get more engagement from the reseller community." »

BOSS is a fundamental component in a healthy future for the dealer environment, being involved in lobbying the government on the issues closest to the industry's heart. "If there's an issue that needs weight behind it, having the heads of dealer groups and solutions providers representing their members on a forum to BOSS directly is powerful," Aidan explained.

"Dealers are often very busy in the day-to-day running of their business, so a forum like this allows their challenges to be raised on their behalf. The group can identify if this is a collective problem that requires group action," Aidan continued. "BOSS meets with the Department for Business & Trade regularly, and the forum is a chance to share relevant information with dealer groups and solution providers directly."

### LOOKING AHEAD

There are plenty of reasons to be cheerful at Integra, not least its annual conference in March 2024. With the full line-up having just been announced, Aidan anticipates more than 50 suppliers and 200+ delegates in attendance next year.

Aside from this, 2024 is set to be a year that's all about embracing new opportunities. Aidan shared that Integra is planning an expansion of its creative design client base, as well as leveraging its accountancy services as a revenue stream. The own-brand 'Initiative' turned 25 this year and continues to thrive - not only here but also in Australia through a highly successful licensing agreement with Office Brands.

Integra has long supported dealers looking into

mergers and acquisitions through its Imerge programme and plans to continue building on this strength into the new year. "We'll be continuing conversations with strategic partners to be able to leverage economies of scale and also provide dealers both inside and outside the group with disposal, merger and acquisition options as we recognise the different life cycle stages many businesses are in," Aidan added.

**Have the right people in the right place. They are your greatest asset**

In terms of advice for dealers looking to make the most of whatever 2024 brings, Aidan had some clear words of wisdom, "Make the most of the opportunities presented. Take some risks – albeit measured ones - and seek advice from the dealer network."

"Carry out gap analysis with your top 50 customers as a starting point; look to see what they aren't buying." He added. It's more important than ever to regularly review your business KPIs and anticipate areas of concern early enough to proactively manage them. Look at your teams' strengths and weaknesses and have the right people in the right place. They are your greatest asset, so invest and work with them to see their full potential." 