

“Where’s My Order?”

The Reality of Supply Chain Issues in the Hearth & Home Industry [2022]

2022 started off with a bang—a bang that sounded a lot like a global chorus of consumers asking, “Where is my order?”

Even with the fresh energy of a new year, the reality for manufacturers and suppliers is still pretty bleak. Supply chain issues and delivery delays have crippled many industries, and unfortunately, that includes hearth and home.

At AES, we’re right in the middle of it, we’ve heard it all, and we’re here to share what we know with you.

Hearth and Home: The Reality of Supply Chain Issues in the industry

Though we all wish we could leave problems behind and start fresh in the new year, supply shortages in 2022 are still very real. Whether due to backlogged orders that just haven’t caught up yet or major supply chain breakdowns, we’re seeing issues with manufacturers and suppliers across the board.

Here’s the reality of the situation right now, as of this writing:

- Many products are backordered and take months to get in stock.
- Some manufacturers have stopped giving ETAs on backorders (BOs).
- Manufacturers are doing their best to track and manage ETA’s given, but it’s a moving target and can change at any time.
- Products that have been on BO for some time are facing multiple price increases.
- Some price increases have been effective immediately instead of the industry standard 30-60 days’ notice.

The situation is layered and complex, with delays caused by myriad reasons (from staffing shortages to finished product and even raw material shortages).

How is This Impacting Stores and End Customers?

With moving target delivery dates and price hikes in the mix, it makes for a lot of unhappy people. Store shelves and showrooms are bare, and consumers are waiting longer than ever for products they ordered months ago.

Not only that, but it’s causing more work and worry for everyone involved.

Owners and GMs are spending extra time looking for other suppliers and lines they can supplement or switch over to, just so they have something to sell. This now nearly constant time drain would normally only be assessed once per year.

For retailers, tracking, applying, and communicating about BOs is added to the normal workload. Sometimes they even need a dedicated person or team (working full time) focused only on these efforts.

With less clear ETA's, and price increases that sometimes occur after the sale but before the product comes in, keeping customers happy and orders from being cancelled can be a tightrope walk. Customers have generally been understanding, since these issues are affecting everyone and every industry, but there is no denying that extra frustration is involved—particularly when a project has a drop-dead date that can't be shifted.

What Can Be Done About Supply Chain Issues?

If distributors were underprepared, there's very little that can be done at this point. And the truth of the matter is, no one is immune to these supply shortages—not even us.

However, at AES, we are focused on integrity, the commitments we've made to our partners, and clearly communicating along the way, just as we always have been. That said, we have been largely spared because we do things a bit differently:

- **We have huge supply in warehouses across the country.** AES buys large quantities of hearth and outdoor product months ahead of time, so that we almost always have inventory on-hand where we can control it. This practice has been a lifesaver during these lean times, and while we've had shortages in certain products, we've doubled down by buying even further ahead than normal—with millions more in inventory than we normally would have to ensure we have the supply you need.
- **Our network is working for us.** AES is verifying product supply and forecasting directly with manufacturers. Our collaborative partnerships, built over the last 75+ years, are supporting us now, and we often get taken care of before most because we're an established, valued partner.
- **When you have questions, we respond.** We keep our customers informed and communicate the information we know. We proactively relay important information with our accounts via email, so it's tracked and sent out automatically. It's never in the hands of an individual rep to make sure it's done.
- **Our team is ready.** We are set up with both inside and outside sales to help get you answers and assistance quicker than other suppliers can.
- **We're on your side.** We serve each partner with a consultative approach and white-glove service that ensures your needs are taken care of in a personalized way.

Above all, our intention is to make it easy for you to do business. Find more information about the AES difference at marketing@aes4home.com and let us help you turn ordinary moments into extraordinary memories, even when times are tough—that's when people need it most.