

Building What's Next

A Strategic Perspective from Heldstab Global Advisory

Merch is entering its Third Generation

The first generation of merch was defined by manufacturing scale. The second by digital commerce. The third will be defined by intelligent, connected, demand-driven production.

- Artificial Intelligence is changing how products are designed and discovered
- Digital manufacturing is changing where products are produced
- Automation is changing the economics of fulfillment
- Customers now expect personalization, rapid delivery, and sustainable production regardless of whether they are ordering one item or one million
- Meanwhile, brands are demanding greater supply chain resilience, improved cash flow, lower inventory risk, and measurable sustainability

The companies that continue operating with twentieth-century processes will struggle. Those that embrace connected commerce, intelligent manufacturing, and data-driven commercialization will define the next decade.

The Market Opportunity

Scale meets demand. The numbers speak for themselves.

\$323B

Licensed Merch Market

\$13B

Global POD Market

\$27.7B

North American Promo Market

£1.334B

UK Promo Market

Industry Shifts Driving Change

~90%

of distributors raised prices in 2025

69%

shortening supply chains

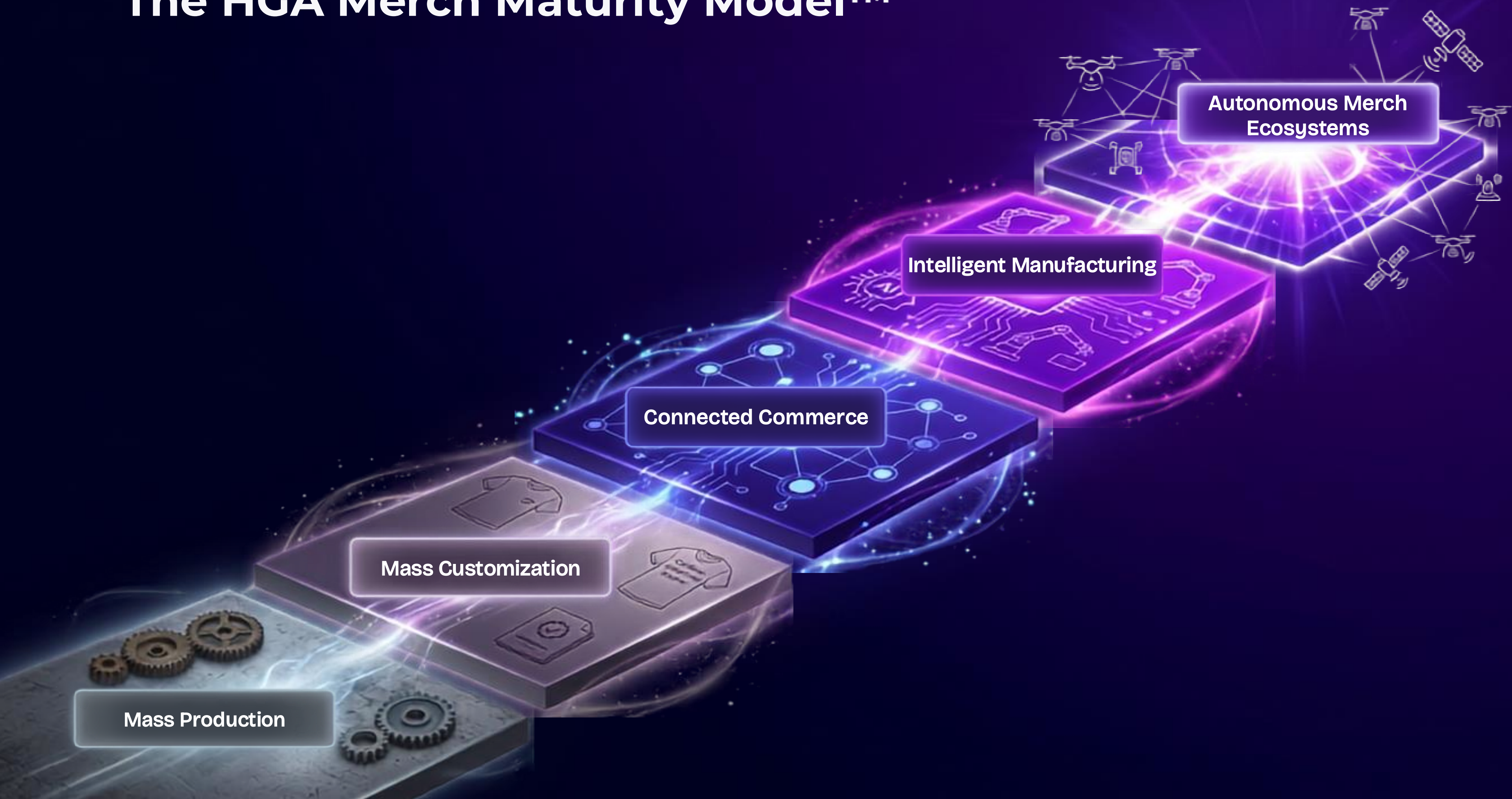
75%

prioritizing AI for forecasting, inventory & cost

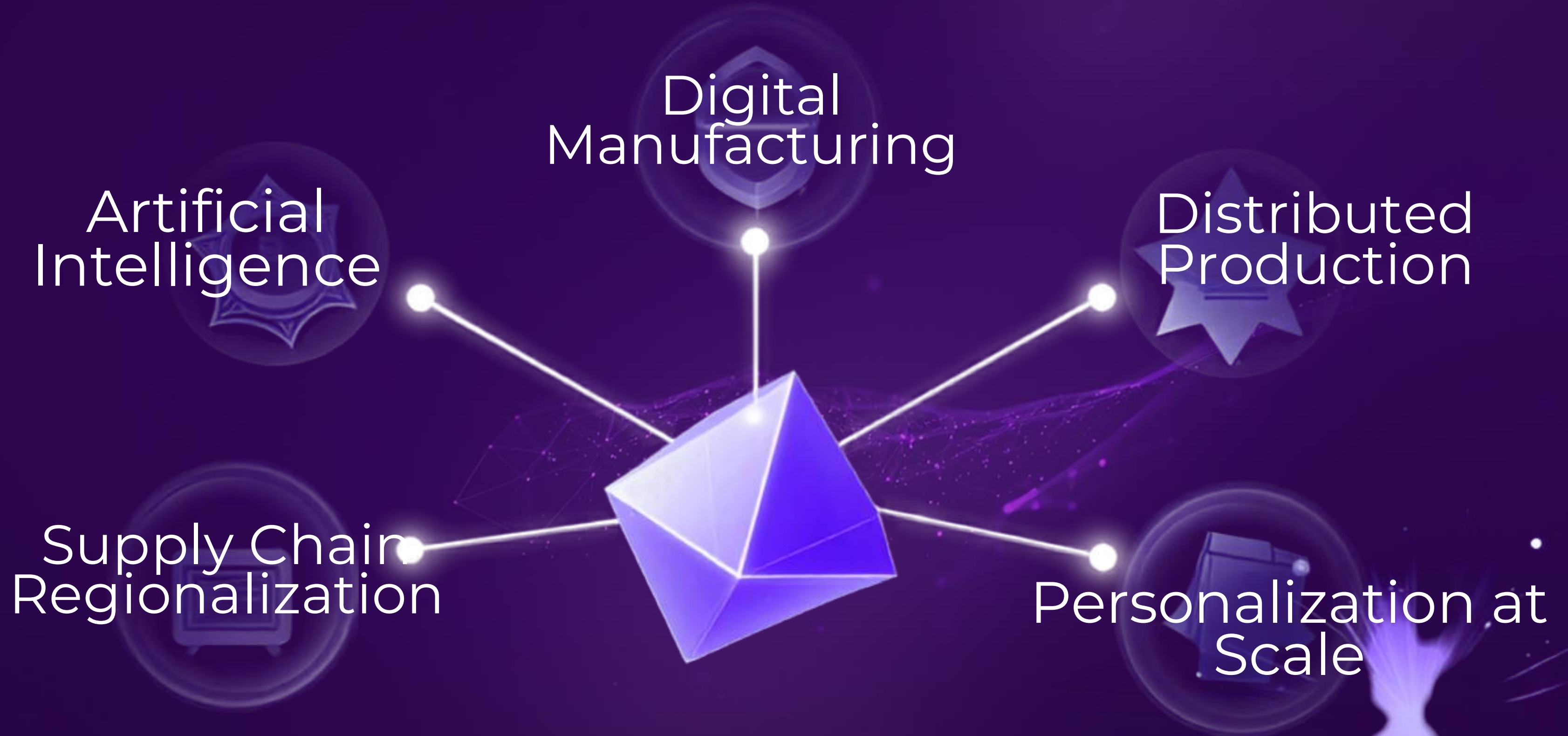
70%

expected AI-based demand forecasting adoption by 2030

The HGA Merch Maturity Model™



Five Forces Reshaping Merch



Together, these five forces are changing not only how merchandise is produced, but how companies compete.

The Connected Enterprise

Competitive advantage is
created where information
moves faster than products.

AI

AI



The Commercial Shift

Historically, sales organizations sold products. Tomorrow's commercial organizations will sell business outcomes. Customers increasingly purchase outcomes not products.

Yesterday		Tomorrow
Products	→	Outcomes
Orders	→	Relationships
Transactions	→	Value Creation
Revenue	→	Customer Lifetime Value



Faster Speed to Market



Lower Working Capital



Reduced Inventory Risk



Sustainability Improvements



Greater Agility



Supply Chain Resilience

Manufacturing is evolving

Traditional



versus

Demand

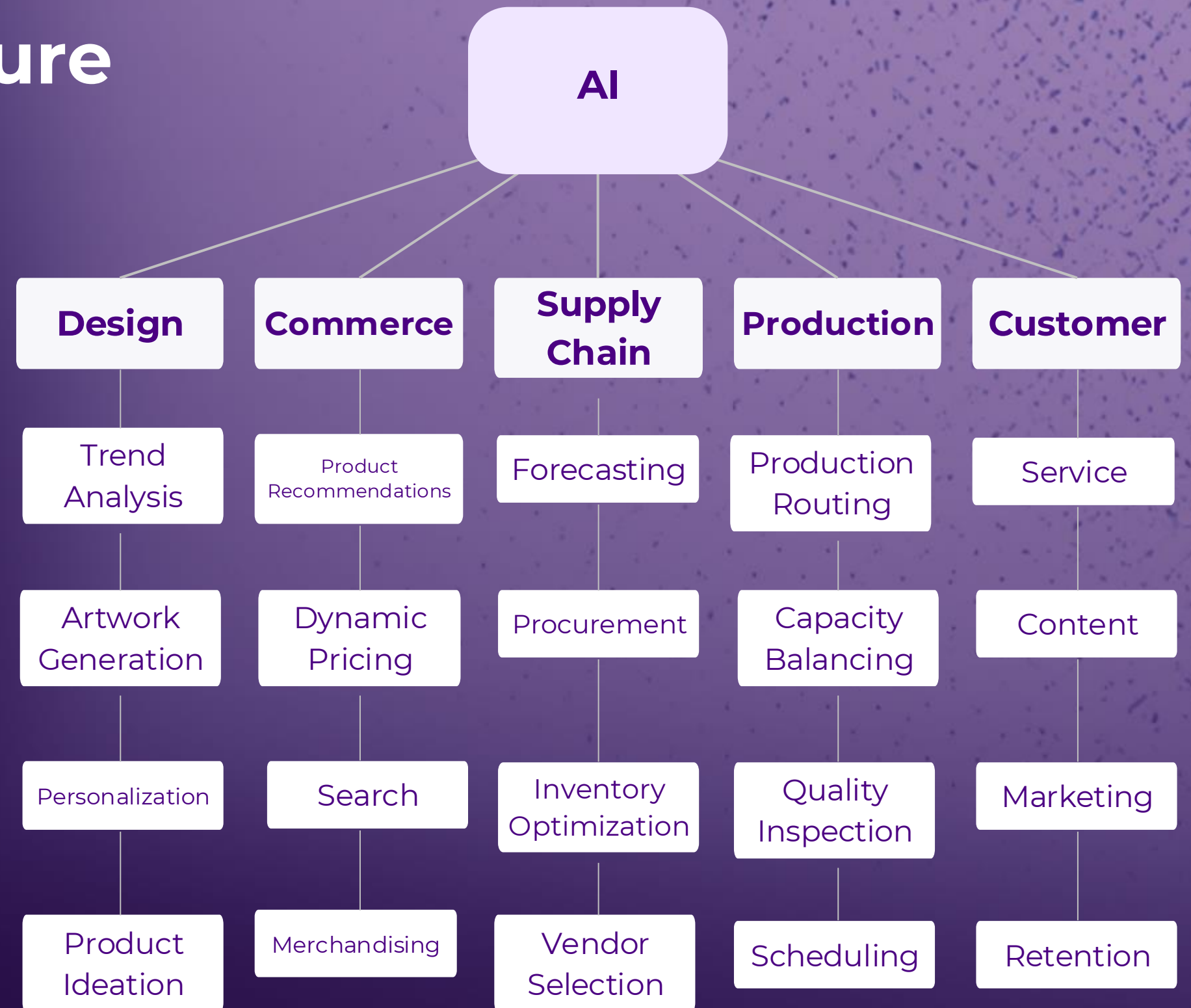


AI Is Becoming Infrastructure

AI is not replacing people—it is augmenting decision-making at every point in the merch lifecycle.

The winners will not necessarily possess the best AI.

They will possess the best data feeding their AI.



Executive Playbook

Leaders should ask five questions.

1. Can we manufacture on demand?
2. Can we commercialize new technologies faster than competitors?
3. Do we possess usable customer intelligence?
4. Is our sales organization selling products or solving business problems?
5. Can our organization adapt faster than our market changes?

The organizations answering "**yes**" will lead the next decade.

The rest will spend it catching up.

Where is your organization today?



Use the HGA Merch Maturity Model™ to identify your current state—and the capabilities required to reach the next stage.

From Insight to Execution



Why Leaders Choose HGA

- **30+ years leading commercial growth and transformation**
- **Experience spanning enterprise retail, digital manufacturing, SaaS, and print-on-demand**
- **Proven frameworks for commercial transformation and intelligent manufacturing**
- **Trusted advisor to manufacturers, distributors, retailers, and technology providers**



Build What's Next

Understanding change is only the beginning.
Transformation requires leadership.
Execution requires experience.
Results require action.



Because the companies that build what's next will define what's next.

What's Your Next Move?

In 90 minutes we'll help you:



Schedule a conversation.