Understanding the Influence of Category Managers on Food Suppliers in Own-Brand Food NPD: An Exploratory Study in the Saudi Retailing Sector

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Abstract

Category Management (CM) is a significant strategy to help retailers deliver goods effectively in terms of price, offers, time, and place. Also, to define the active assortment-choice involves considering own-brand new product development (NPD). There is a growing body of research on CM in the retailing sector, especially its development and integration with the food chain. CM has been mentioned in relation to NPD process within FMCG. Despite this, CM literature and its influence on retailer–supplier relationships is limited, especially relating to the roles of CM. Likewise, the influence of CM on innovation has exclusively been investigated in own-brand projects. Based on these limitations, the objectives of this study are: 1) to examine the role of CMs; 2) to explore the nature of retailer–supplier collaboration; 3) to identify the innovation through analysis of own-brand FMCG. To address the gap, qualitative methods were applied. The findings highlight the importance of CM roles in contributing to the power-balanced, unbalanced and reciprocal relationships between retailers and suppliers. Maintaining these relationships is found to positively contribute to innovation. However, a variety of mediating factors are found to impact the characteristics of own-brand projects and to exploit a variety of new projects. This study contributes to the literature by providing a framework which presents new insights into CM and own-brand NPD literature. A systematic literature review was conducted with the aim of providing a rich description of the role of CM and its impact on the nature of retailer–supplier collaboration in own-brand NPD.

Keywords: collaboration; FMCG; innovation development; retailer products; relationship types