New SPS Supply Chain Readiness Report Highlights the Biggest Hurdle Facing Retailers and Brands Is Operational

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Demand isn't the problem; fragmented data and manual work are. 85% say a connected network improves how they operate across all trading partners, and 83% say the data they exchange through the network improves their AI readiness, turning inconsistent inputs into a foundation for faster decisions.

MINNEAPOLIS--(BUSINESS WIRE)--Nov. 24, 2026-- SPS Commerce (NASDAQ: SPSC), the leading intelligent supply chain network, today released its inaugural *Supply Chain Readiness Report*. The report, which surveyed customers across brands, retailers, grocers and distributors, found that when it comes to driving growth, demand was rarely the biggest hurdle. Instead, the main constraint was operational. The report found that disconnected systems, inconsistent data and manual processes were key operational barriers, consuming valuable time and undermining the trust needed to move products efficiently from the warehouse to the shelf.

The report uses new data to pinpoint what drives retail readiness amid ongoing supply chain disruption. Brands revealed that growth stalls at the operational ceiling long before it stalls at demand.

87% of brands cited operational constraints as their growth ceiling:

- Internal systems: 34%
- Execution across trading partners: 34%
- Labor: 19%
- Demand generation: 6%

Balancing different retailer requirements across every partner created complexity that was hard to standardize, and manual processes kept operations reactive instead of proactive:

- Managing retailer requirements created complexity: 88%
- Manual processes slowed our ability to scale: 87%
- Difficult to maintain consistency across retailers: 84%
- Operated reactively rather than proactively: 80%

"For years, the industry has focused on demand as the primary driver of growth, but our research reveals that operational challenges are more often the real barrier to retail readiness," said Molly Kelly, Vice President of Customer Success at SPS Commerce. "As AI continues to transform the industry, we're focused on helping our customers build more intelligent, efficient and connected supply chains that unlock new opportunities."

Measurable Value in the SPS Network

After joining the SPS network – which connects 300,000+ trading relationships and moves more than 750 million transactions each year – both brands and retailers reported a significant shift from reactive to proactive operations. While 80% of brands reported operating *reactively* before SPS, 88% now report operating *proactively*. Retailers experienced a similar transformation, shifting from 84% (reactive) to 87% (proactive).

Additional benefits reported:

- Reduction of errors, exceptions and disruptions: 89%
- Improved fill rate: 84%
- Reduction in chargebacks and deductions: 79%
- Identification of issues before impacting demand: 77%

The ability to decrease operational challenges is especially critical with AI rapidly impacting the supply chain. Retailers increasingly see SPS as an AI-first company shaping what supply chain collaboration looks like in the future.

- 89% say SPS is helping shape the future of supply chain
- 3 out of 4 say SPS Commerce is an AI-first company

- 84% say SPS is an innovator in supply chain AI

As SPS builds agentic tools like MAX, customers are already seeing AI turn supply chain data into action. “MAX caught an issue with one of our largest retail partners before it ever became a chargeback. That’s real money we didn’t have to write off,” said Kevin Langford, Operations Project Manager at Austin Cutlery & Tool.

Molly Kelly continued, “When retailers can take on new partners faster, expand into new channels, and increase volume – all while reducing operational risk – it creates a stronger customer experience. As retailers and brand navigate an uncertain future, they need the right kind of data at the right time to make decisions that enable those experiences and the readiness to shift alongside their partners, customers and consumers.”

For more information, read the full report: http://spscommerce.com/lp/Supply_Chain_Readiness_Report

About SPS Commerce

SPS Commerce (NASDAQ: SPSC) is the leading intelligent supply chain network, connecting trading partners around the globe to optimize supply chain operations with all retail partners. Our AI-powered network connects 300,000+ trading relationships worldwide and moves more than 750M transactions and over $650B in gross merchandise value each year. From retailers and brands to manufacturers, distributors, and logistics providers, SPS is trusted by seven of the top ten largest retailers, and over two-thirds of today’s fastest growing brands. Our multi-solution portfolio connects, orchestrates and optimizes the data, decisions, and relationships that keep the world's supply chains moving forward. SPS Commerce has 3,000 employees and offices worldwide. For more information, visit spscommerce.com.

Forward-Looking Statements

This press release may contain forward-looking statements, including information about management's view of SPS Commerce's future expectations, plans and prospects, including our views regarding future execution within our business, the opportunity we see in the retail supply chain world and our performance for the fourth quarter and full year of 2026, within the safe harbor provisions under The Private Securities Litigation Reform Act of 1995. These statements involve known and unknown risks, uncertainties and other factors which may cause the results of SPS Commerce to be materially different than those expressed or implied in such statements. Certain of these risk factors and others are included in documents SPS Commerce files with the Securities and Exchange Commission, including but not limited to, SPS Commerce's Annual Report on Form 10-K.

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