



2024 Supplier.io Economic Impact Report

Driving measurable impact on business,
people, and communities



Contents

- 3 Chapter 1: About this report**
 - Introduction
 - A message from the CEO
- 6 Chapter 2: 2024 economic impact results**
 - Executive summary: 3 major findings
 - Economic impact explained
 - Total economic impact
 - Impact in small and diverse suppliers
 - Economic impact breakdown
 - Top companies supporting economic impact via their small and diverse spend
 - Impact on specific diversity categories
- 16 Chapter 3: Analyzing the data**
 - Key insights from year over year comparison
 - Top purchase categories with small and diverse suppliers
- 20 Chapter 4: Geographic economic impact of diversity**
 - Key insights from year over year comparison
 - Impact by state
- 26 Chapter 5: Economic impact methodology**
 - Methodology
 - Results from multiple trusted sources
 - Data used in the analysis
 - Next steps

About this report

We've measured the positive economic impact Supplier.io customers are having on the economy, people and communities they support.

Introduction

Welcome to Supplier.io's second annual Supplier Diversity Economic Impact report. We analyzed the data of over 398 organizations who together spent over \$168 billion with over 214,000 unique suppliers to understand the real impact our customers have on the people and communities they support.

Economic impact analysis is a long-standing science with an accepted methodology for tracking how a dollar spent by an organization then flows into a community. We analyzed:

- How much money did companies spend?
- What specific products and services did they buy?
- Where did they buy those products and services?

With this data, we can map the economic impact of a company's spending on a specific community.

A message from the CEO

I am thrilled to share our 2nd annual Economic Impact Report.

This report is a testament to the transformative impact supplier diversity programs have on the economy, communities and businesses.

Our analysis identifies the substantial economic ripple effects driven by our customers through their supplier diversity initiatives. This year alone, our customers' progress has resulted in an impressive \$168 billion spent with small and diverse suppliers. This spending has been a catalyst for generating over 1.4 million jobs, \$105 billion in incomes, and contributing \$37 billion in tax revenue, enriching lives and bolstering communities.

Supplier diversity programs seek out value adding suppliers that might have been overlooked or missed otherwise. By nurturing small and diverse businesses, our customers not only unlocked new avenues of creativity and market opportunities, but also enhanced their competitive edge. This pioneering approach to procurement has not only fostered brand growth but has also proven to be a strategic advantage in today's global economy.

As we celebrate this achievement, I want to extend my deepest gratitude to each organization that has joined us on this transformative journey including over 70 new customers in this analysis over last year. Your efforts have not just shaped a more dynamic supply chains; they have contributed to a more equitable and prosperous society. It is through your visionary leadership that supplier diversity has evolved from a vision to a concrete driver of economic development.

We are proud to collaborate with such forward-thinking companies. Let's continue to build on this foundation and achieve success through our collective dedication to inclusive and responsible procurement practices.

Thank you for being a part of this remarkable journey. We are excited to see what we will accomplish together in the years to come.

“
Responsible sourcing drives positive business outcomes and measurable community impact.



Aylin Basom
CEO, Supplier.io

2024 economic impact results

398 organizations shared their spend data with Supplier.io, allowing us to measure the real impact they're having on people and communities

Executive summary: 3 major findings

1

398 companies supported over 1.4M jobs

398 companies spent over \$168 billion with diverse suppliers across multiple industries and supported over 1.4 million jobs.

2

Small & diverse spend was down less than total spend

While small and diverse spend was down slightly from last year, it wasn't universal. Industries like Retail & Distribution grew over 11% while Manufacturing was down over 9%.

3

\$1 spent turned into \$1.80 of benefit to the community

As funds flow into the economy, they tend to have an exponential impact. Salaries paid are then used to buy food and clothing. On average, \$1 spent with small and diverse suppliers turned into \$1.80 in the community.

Economic impact explained



Economic impact analysis is a way to translate the dollars spent on products and services in a specific community into the jobs, wages, taxes, and more that flow into that community. It's a proven data-driven approach to measuring the success of a program used by institutions such as the U.S. Department of the Interior and the National Institute of Standards and Technology (NIST).

Economic impact reports communicate the impact on the economy using these standard measures: Output, Jobs, Incomes, and Tax Revenues.



Output

Measures the cumulative revenues of all businesses impacted through the program: Direct, Indirect and Induced.



Jobs

Created within Supplier.io's clients' supply chain and in the suppliers' communities.



Incomes

Measure the cumulative earnings of the employees in the jobs supported through supplier diversity purchases.



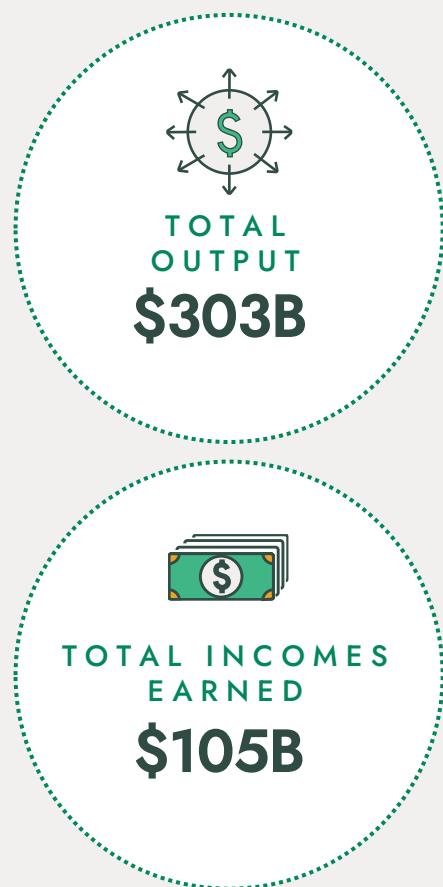
Taxes

Measures the federal, state and local tax revenues that are generated through economic activity.



Total Economic Impact

The value of Supplier.io customer spend comes from over \$168 billion in funds to small and diverse suppliers that supports over 1.4 million jobs, \$105 billion in income, and over \$37 billion in taxes to their communities.

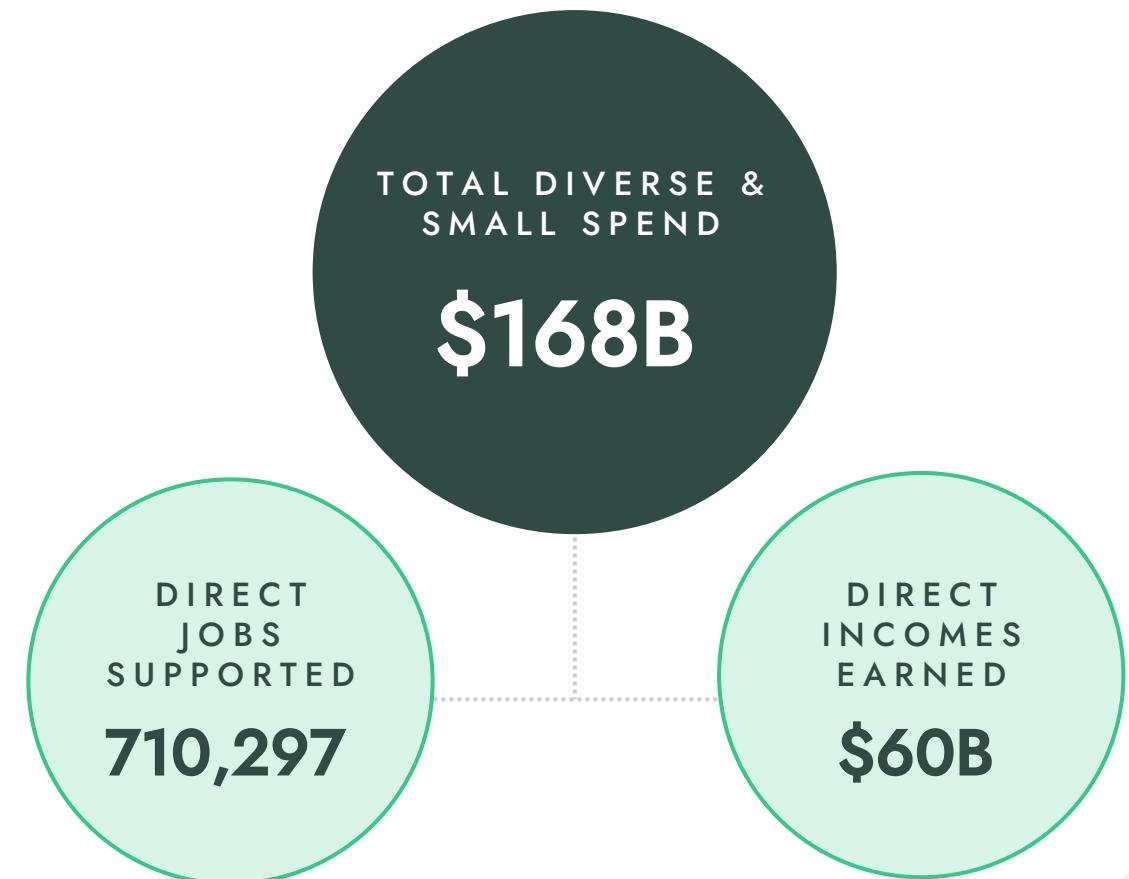


Direct impact in small and diverse suppliers



Companies' most significant impact is the \$168 billion spent with small and diverse suppliers. This money directly supported over 710 thousand jobs with over \$60 billion in income.

This impacts the people who specifically contributed to providing the products and services companies purchased.



Extended impact of spend



Supplier.io's customers' purchases have a ripple effect on the supply chain. The total economic impact goes beyond just measuring the Direct impact of dollars spent, but also the Indirect and Induced impact.



Direct Impact

Impact at Supplier.io's immediate small and diverse suppliers.



Induced Impact

The ripple effect of Supplier.io's purchases on communities through the spending of suppliers' employees and the jobs supported by their purchases.



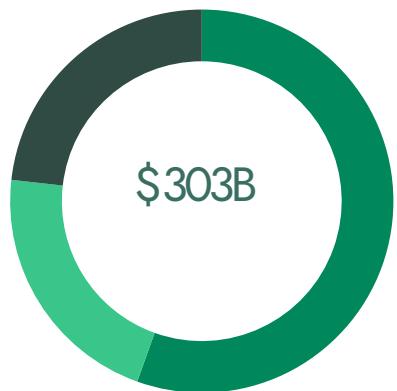
Indirect Impact

Small and diverse suppliers purchase goods and services from other suppliers, which creates a ripple effect through the economy.



Total economic impact broken down

TOTAL OUTPUT



\$168B

Direct

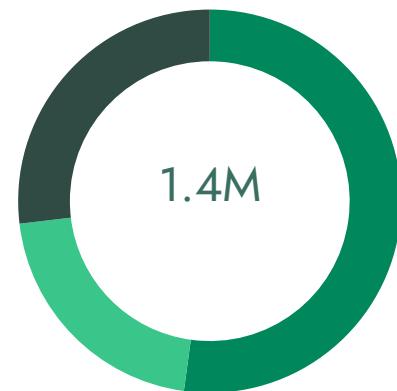
\$64B

Indirect

\$70B

Induced

TOTAL JOBS SUPPORTED



710K

Direct

285K

Indirect

366K

Induced

TOTAL INCOMES EARNED



\$60B

Direct

\$22B

Indirect

\$23B

Induced

Supplier.io's customers purchased total of \$168B from its' Tier 1 small and diverse businesses. This spending resulted in the total impact of \$303B, which is broken down into \$168B Direct impact, \$64B Indirect impact and \$70B Induced impact.

Supplier.io's customers' Supplier Diversity spending with Tier 1 small and diverse businesses supported an estimated 1.4M+ jobs. 710.3K of these were supported in the Direct channel, 285.5K jobs in the Indirect channel, and 366K jobs from the Induced channel.

Supplier.io's customers purchases with Tier 1 small and diverse businesses supported jobs throughout the supply chain that paid employees a total of \$105B in wages. Wages earned in the Direct, Indirect and Induced channels are estimated at \$60B, \$22B and \$23B respectively.

Note: Due to rounding, Direct, Indirect, and Induced numbers may not add up to the total.

Top companies driving economic impact via their small and diverse spend

These are some of the top organizations, leading the industry by supporting tens of thousands of jobs with their small and diverse spend.

40K+ Jobs

 CVS Health

JPMORGAN CHASE & CO.

20K+ Jobs



10K+ Jobs



50%+ Increase

These organizations had some of the biggest increase in community impact year over year of 50% or more:

 AMERICAN WATER

 STATE STREET

Point32Health

Spend and impact on diversity categories

Small Business Spend	Minority-owned Business Spend	Women-owned Business Spend	Veteran-owned Business Spend	Disabled-owned Business Spend	Service Disabled-owned Business Spend	Disadvantaged Business Enterprises Spend	LGBT-Owned Business Spend
							
\$106.8B BUSINESS SPEND	\$57.4B BUSINESS SPEND	\$39.3B BUSINESS SPEND	\$9.8B BUSINESS SPEND	\$3.6B BUSINESS SPEND	\$3.3B BUSINESS SPEND	\$3.5B BUSINESS SPEND	\$612.9M BUSINESS SPEND
421,436 JOBS	266,338 JOBS	194,063 JOBS	52,554 JOBS	20,213 JOBS	19,681 JOBS	19,649 JOBS	3,179 JOBS
\$35.9B INCOMES	\$21.9B INCOMES	\$15.4B INCOMES	\$3.9B INCOMES	\$1.5B INCOMES	\$1.4B INCOMES	\$1.4B INCOMES	\$249.7M INCOMES

Note: Spend is included in every category for which the supplier qualifies. Therefore, spend dollars by category will add up to greater than the total spend.

Analyzing the data

We broke the results down further to see who was impacted and what specific products and services received the most spend. We also analyzed any year over year changes.

Shifts in industry spend, but not in categories of spend



Retail & Distribution spend increased
11.58%
from 2022 to 2023



Manufacturing spend decreased
9.59%
from 2022 to 2023



28%

was the average contribution
to Professional, Scientific &
Technical services jobs

Growth industry: The Retail and Distribution spend increased by approximately 11.58% from 2022 to 2023.

Decline industry: The Manufacturing industry saw a 9.59% decrease in spend from 2022 to 2023.

Top Jobs were unchanged: #1 Professional, Scientific & Technical Services followed by, #2 Administrative & Support services, and #3 Construction were all top both years.

Spend by industry shifted from the prior year

While small and diverse spend was down year over year, it was now down as much as total spend. And it that wasn't the same for all industries. As you can see from the right, industries like Retail & Distribution and Insurance saw significant growth at a time when others were struggling. In Retail & Distribution spend went up with minority and women owned business.

11.7%

increase in diverse and small spend



Retail & Distribution

14.5% increase
in output contributions

9.4%

increase in diverse and small spend

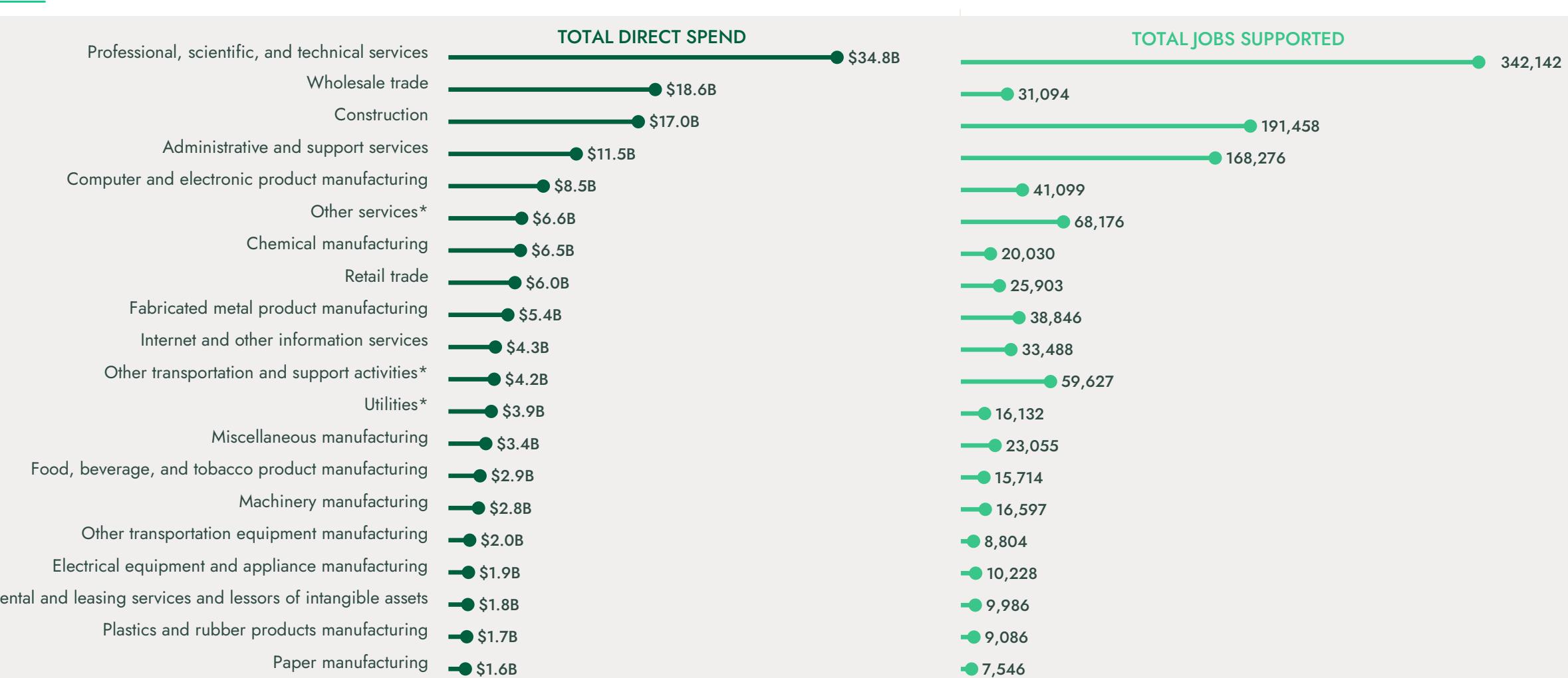


Insurance

8.3% increase
in output contributions

DIVERSE & SMALL SPEND			
INDUSTRY	2022	2023	YOY%
Manufacturing	\$17B	\$15.4B	-9.6%
Retail & Distribution	\$7.7B	\$8.6B	+11.6%
Transportation	\$8B	\$5.9B	-26.4%
High Tech & Technology	\$6.9B	\$6.2B	-10.3%
Media & Entertainment	\$4.9B	\$5.1B	+2.8%
Business Services	\$6.1B	\$4.5B	-25.9%
Pharmaceuticals	\$5.4B	\$4.4B	-18.9%
Insurance	\$3.2B	\$3.5B	+7.8%
Healthcare	\$2B	\$2.2B	+6.7%
Food & Beverage	\$2.4B	\$2.1B	-10.6%
Energy, Utilities & Waste	\$2.1B	\$1.6B	-26.2%
Financial Services	\$2.3B	\$1.5B	-32.3%
Apparel & Footwear	\$222.9M	\$268.9M	+20.7%
Real Estate & Construction	\$183.3M	\$120.1M	-34.5%
Non-Profit & Foundation	\$124.5M	\$110.3M	-11.4%
Education	\$123.7M	\$107.5M	-13.1%
Hospitality	\$56.2M	\$62.8M	+11.7%
Law Firms & Legal Services	\$10.9M	\$11.2M	+2.6%

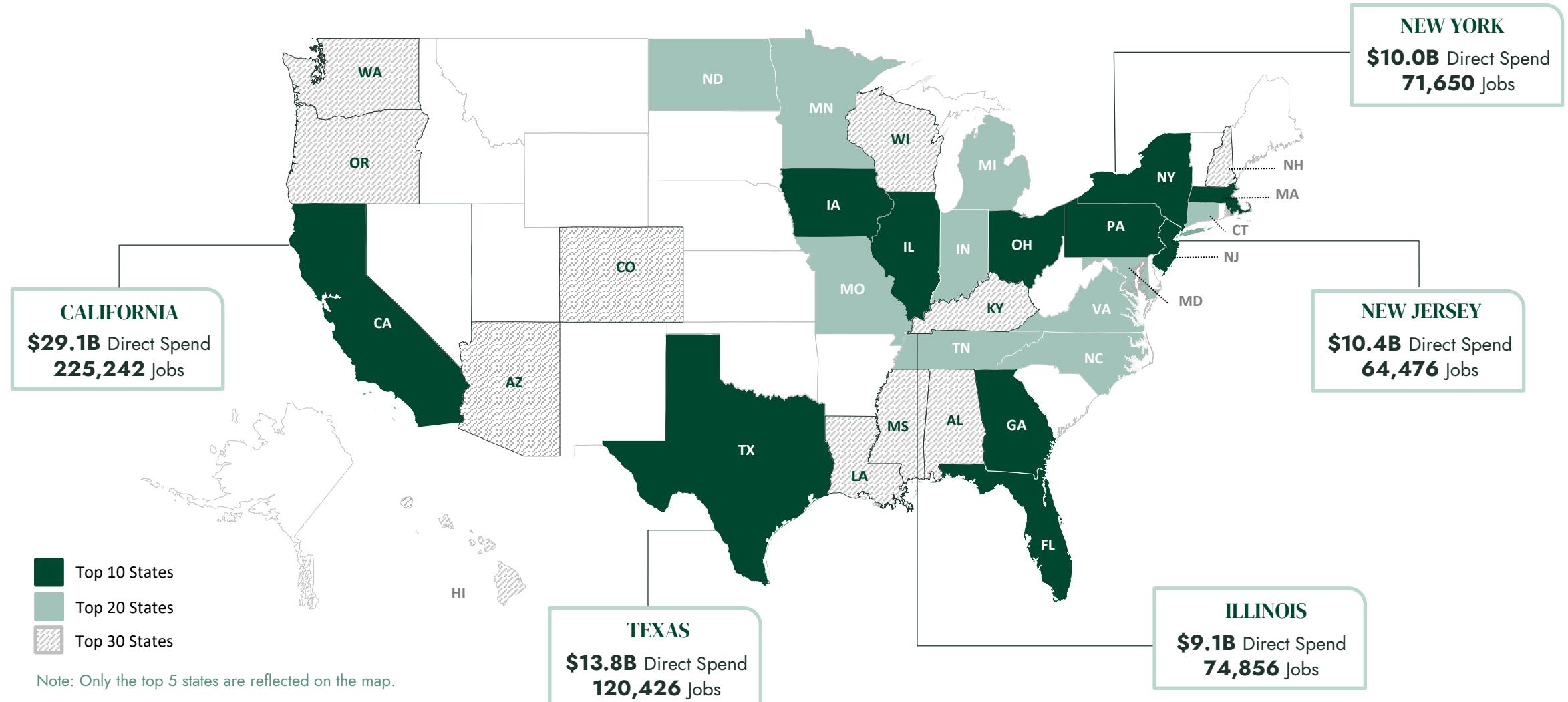
Top purchase categories with small and diverse suppliers



Geographic economic impact of diversity

Analyzing spend by state and year over
year changes

Top spend by state



Biggest changes year over year by state

STATE	DIVERSE & SMALL BUSINESS SPEND			IMPACT FROM Direct, Indirect and Induced											
				TOTAL OUTPUT			TOTAL JOBS			TOTAL INCOME					
	2022	2023	YOY%	2022	2023	YOY%	2022	2023	YOY%	2022	2023	YOY%	2022	2023	YOY%
CALIFORNIA	\$8.8B	\$6.9B	- 22%	\$16.9B	\$13.2B	- 22%	76,503	57,050	-25%	\$7B	\$5.1B	- 28%	\$2.3B	\$1.9B	- 16%
TEXAS	\$6.2B	\$5.7B	-7%	\$12.2B	\$11.4B	- 7%	66,835	57,158	-14%	\$5B	\$4.3B	- 14%	\$1.3B	\$1.3B	1%
FLORIDA	\$3.3B	\$4B	21%	\$6.1B	\$7.5B	23%	29,364	35,111	20%	\$1.9B	\$2.2B	16%	\$591.3M	\$803.3M	36%
VIRGINIA	\$4.8B	\$3.6B	- 26%	\$8.7B	\$6.5B	- 25%	47,907	32,920	-31%	\$4.3B	\$2.8B	- 34%	\$1.2B	\$917.7M	- 23%
NEW YORK	\$4.1B	\$3.5B	- 15%	\$7B	\$5.9B	- 16%	29,935	21,736	-27%	\$2.7B	\$2.1B	- 23%	\$880.7M	\$783.9M	- 11%
ILLINOIS	\$2.8B	\$3.4B	20%	\$5.2B	\$6B	15%	25,463	25,689	1%	\$2B	\$2B	1%	\$591.4M	\$697.6M	18%
PENNSYLVANIA	\$2.1B	\$2.8B	33%	\$3.8B	\$5B	33%	17,711	23,206	31%	\$1.3B	\$1.7B	34%	\$398.3M	\$627M	57%
NEW JERSEY	\$3.6B	\$2.7B	- 26%	\$6B	\$4.6B	- 23%	23,892	18,627	-22%	\$2.1B	\$1.6B	- 21%	\$755.9M	\$637.3M	- 16%
OHIO	\$2.5B	\$2.4B	- 3%	\$4.4B	\$4.3B	- 3%	21,129	19,071	-10%	\$1.4B	\$1.3B	- 7%	\$405.9M	\$435.4M	7%
GEORGIA	\$2.6B	\$2.4B	- 9%	\$4.9B	\$4.3B	- 11%	24,786	21,099	-15%	\$1.6B	\$1.4B	- 15%	\$453.1M	\$474M	5%

Note: States are listed from highest Diverse & Small Business Spend to lowest; also, state jobs may not add up to the total jobs due to rounding.

2023 Impact by state

STATE	DIVERSE & SMALL BUSINESS SPEND	IMPACT FROM Direct, Indirect And Induced			
		TOTAL OUTPUT	TOTAL JOBS	TOTAL INCOMES	TOTAL TAXES
CALIFORNIA	\$29.1B	\$54.1B	2,25,242	\$19.5B	\$7.6B
TEXAS	\$13.8B	\$26.0B	1,20,426	\$8.6B	\$2.8B
NEW JERSEY	\$10.4B	\$17.4B	64,476	\$5.9B	\$2.4B
NEW YORK	\$10.0B	\$17.7B	71,650	\$6.8B	\$2.5B
ILLINOIS	\$9.1B	\$16.8B	74,856	\$5.9B	\$2.0B
FLORIDA	\$8.1B	\$15.5B	76,241	\$4.8B	\$1.7B
PENNSYLVANIA	\$6.9B	\$12.3B	56,221	\$4.2B	\$1.5B
OHIO	\$6.7B	\$13.3B	67,670	\$5.6B	\$1.7B
GEORGIA	\$5.9B	\$11.0B	58,395	\$3.7B	\$1.2B
MASSACHUSETTS	\$5.6B	\$9.6B	36,177	\$3.6B	\$1.2B
MISSOURI	\$5.6B	\$9.8B	47,779	\$3.3B	\$1.1B
VIRGINIA	\$5.4B	\$9.8B	48,800	\$4.0B	\$1.3B
MICHIGAN	\$4.8B	\$8.8B	44,851	\$2.9B	\$945.8M

Note: States are listed from highest Diverse & Small Business Spend to lowest; also, state jobs may not add up to the total jobs due to rounding.

2023 Impact by state

STATE	DIVERSE & SMALL BUSINESS SPEND	IMPACT FROM Direct, Indirect And Induced			
		TOTAL OUTPUT	TOTAL JOBS	TOTAL INCOMES	TOTAL TAXES
MINNESOTA	\$4.7B	\$9.3B	39,046	\$3.1B	\$1.1B
INDIANA	\$3.5B	\$5.9B	33,946	\$2.0B	\$661.9M
TENNESSEE	\$3.2B	\$5.5B	25,608	\$1.7B	\$560.0M
CONNECTICUT	\$3.0B	\$5.2B	22,293	\$1.9B	\$712.6M
NORTH CAROLINA	\$2.7B	\$4.7B	20,852	\$1.4B	\$460.9M
NORTH DAKOTA	\$2.7B	\$4.4B	10,264	\$927.6M	\$378.3M
MARYLAND	\$2.5B	\$4.2B	20,043	\$1.5B	\$531.0M
COLORADO	\$2.3B	\$4.3B	18,442	\$1.4B	\$482.7M
WASHINGTON	\$2.2B	\$4.0B	15,199	\$1.4B	\$521.0M
WISCONSIN	\$2.2B	\$3.9B	17,417	\$1.2B	\$400.5M
ARIZONA	\$1.9B	\$3.5B	18,053	\$1.2B	\$410.9M
ALABAMA	\$1.6B	\$2.7B	14,024	\$820.3M	\$279.8M
LOUISIANA	\$1.4B	\$2.3B	10,051	\$619.2M	\$197.5M

Note: States are listed from highest Diverse & Small Business Spend to lowest; also, state jobs may not add up to the total jobs due to rounding.

2023 Impact by state

STATE	DIVERSE & SMALL BUSINESS SPEND	IMPACT FROM Direct, Indirect And Induced			
		TOTAL OUTPUT	TOTAL JOBS	TOTAL INCOMES	TOTAL TAXES
NEW HAMPSHIRE	\$1.1B	\$2.1B	11,019	\$890.5M	\$247.4M
OREGON	\$892.5M	\$1.6B	7,839	\$584.2M	\$198.4M
KENTUCKY	\$853.5M	\$1.4B	7,226	\$457.3M	\$146.2M
MISSISSIPPI	\$838.7M	\$1.3B	5,168	\$275.2M	\$99.2M
SOUTH CAROLINA	\$822.0M	\$1.4B	6,951	\$400.4M	\$143.7M
KANSAS	\$809.2M	\$1.3B	6,471	\$395.4M	\$131.1M
IOWA	\$801.2M	\$1.2B	5,621	\$329.6M	\$113.5M
UTAH	\$757.5M	\$1.4B	6,309	\$397.7M	\$139.8M
OKLAHOMA	\$696.2M	\$1.2B	5,896	\$363.8M	\$111.7M
PUERTO RICO	\$607.5M	\$855.2M	5,834	\$255.3M	\$89.6M
NEVADA	\$567.5M	\$1.0B	5,547	\$341.9M	\$119.0M
NEBRASKA	\$544.0M	\$930.2M	4,663	\$293.6M	\$95.8M
DISTRICT OF COLOMBIA	\$428.8M	\$600.2M	2,662	\$282.9M	\$62.4M

Note: States are listed from highest Diverse & Small Business Spend to lowest; also, state jobs may not add up to the total jobs due to rounding.

2023 Impact by state

STATE	DIVERSE & SMALL BUSINESS SPEND	IMPACT FROM Direct, Indirect And Induced			
		TOTAL OUTPUT	TOTAL JOBS	TOTAL INCOMES	TOTAL TAXES
ARKANSAS	\$363.4M	\$582.4M	2,992	\$157.8M	\$55.5M
RHODE ISLAND	\$330.2M	\$535.3M	2,396	\$168.6M	\$62.9M
DELAWARE	\$328.5M	\$542.8M	2,896	\$199.7M	\$61.5M
NEW MEXICO	\$260.6M	\$404.8M	2,406	\$134.0M	\$46.5M
WEST VIRGINIA	\$253.6M	\$393.1M	2,148	\$116.8M	\$37.4M
SOUTH DAKOTA	\$204.7M	\$325.5M	1,019	\$73.6M	\$23.0M
HAWAII	\$186.6M	\$289.3M	1,250	\$79.2M	\$30.8M
MAINE	\$179.2M	\$304.9M	1,467	\$94.1M	\$33.6M
IDAHO	\$178.4M	\$287.4M	1,313	\$81.2M	\$29.0M
ALASKA	\$170.9M	\$275.1M	1,514	\$101.5M	\$29.3M
VERMONT	\$169.4M	\$283.4M	1,486	\$92.2M	\$31.7M
MONTANA	\$106.2M	\$185.4M	1,095	\$66.1M	\$21.1M
WYOMING	\$87.5M	\$124.8M	522	\$32.5M	\$13.8M
VIRGIN ISLANDS	\$4.9M	\$6.2M	45	\$2.5M	\$761.6K

Economic impact methodology

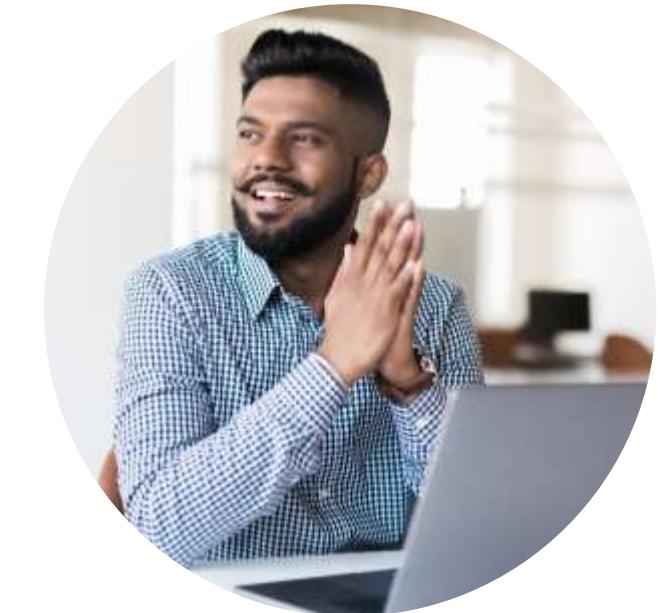
Trusted data and a proven process.

Methodology

The Supplier Diversity Economic Impact Report employs a comprehensive and rigorous methodology to assess the effects of supplier diversity initiatives on economic landscapes. We used Wassily Leontief's Input-Output model to tabulate our results. This robust approach allows for a quantitative evaluation that sheds light on the transformative potential of supplier diversity in fostering inclusive economic growth.

Economic Impact Analysis is a proven methodology with years of refinement:

- Introduced in the 1970s (Wassily Leontief won a Nobel Prize in Economics in 1973 for this approach.)
- Based on an Input-Output model of the economy.
 - The input-output analysis estimates how the change in demand for one industry effects the entire economy.
- In the US, the Bureau of Economic Analysis (BEA) collects data from establishments in each industry at the national level to create these tables.
- The data used from Supplier.io customers is only from customers that provided spend data. Not all Supplier.io customers were included in this analysis.



Results from multiple trusted sources

The impact of money spent cascades through a community and beyond just the direct dollars spent. We analyzed three types of results to measure the real impact at various levels of an economy:

3 ways to measure economic impact

Direct - measures direct impacts, which are changes that occur in “front-end” businesses that would initially receive expenditures and revenue as a direct consequence of the operations and activities of a project.

Indirect - measures indirect impacts arising from changes in activity for suppliers of the “front-end” businesses. Indirect multipliers create the “ripple effect” in the economy.

- The impact on what the suppliers do to fulfill new incremental spending, i.e., fuel, transportation equipment, and machinery.
- Includes their actions with other suppliers and impact on increased labor demand.

Induced - measures induced impacts arising from shifts in spending on goods and services as a consequence of changes to the payroll of the directly and indirectly affected businesses.

- Induced effects are measures of household spending.
- Expenditures at this level can include food, clothes, and cars.

Data used in the analysis

Data is used at the local, county, state, and national level along with spend, commodity and supplier data to provide the most accurate result.

Data Element	Function
Spend Amount	The higher the spend, the larger the impact.
State	Impact in one state is different from another state. <ul style="list-style-type: none">• Wages in Iowa \neq Wages in NY
Purchased Commodity (based on NAICS subsector; 6-digit code)	Impact from a purchased commodity is different based on the type of product or services: <ul style="list-style-type: none">• Purchasing steel material \neq purchasing advertising services
Supplier Diversity	Impact is broken down by diversity category.

Ready to take the next step? We can help.

Feel free to reach out to speak to one of our supplier diversity experts:
708-236-2000 or <https://supplier.io/talk-to-an-expert>

Supplier.io is the market-leading data and SaaS provider dedicated to optimizing and scaling companies' sustainability and supplier diversity initiatives. We deliver innovative SaaS solutions for transparent and responsible sourcing within the global supply chain. Our mission is to connect buyers with diverse and sustainable suppliers, empowering businesses with critical supplier intelligence to maintain resilient supplier bases and effectively mitigate risk.

Serving most Fortune 500 companies, we power the most successful responsible sourcing programs worldwide. We help organizations track and grow business with diverse, small, social, and environmental suppliers to decrease supply chain risk, meet reporting requirements, and advance Environmental, Social, and Governance (ESG) goals—creating positive economic and environmental impacts.

For more information, visit www.supplier.io.



supplier io

www.supplier.io

