

Tariffs and Small Business

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Abstract

This research paper explores how retailers based in U.S. change their operations and strategies in response to tariff shock, especially the U.S.-China trade war of 2018-2022. The current research has evaluated tariff effects on trade movements and market prices and consumer benefits, yet it lacks understanding of how retail managers perceive and handle these matters at their organizational level. The research addresses this knowledge gap through interviews with retail managers, procurement officers and supply chain directors who made business decisions because of the tariffs. The research will use the interpretivist phenomenological approach to interview 10 - 12 participants who had to make tariff-related decisions in their business. The resulting information will be reviewed with thematic analysis while NVivo qualitative software will help with the analysis. The research design enables researchers to identify patterns in managerial views and organizational approaches including supply chain adjustments and pricing decisions and vendor interactions and leadership responses to trade uncertainties. The research findings will provide three significant benefits. To begin with, they will add qualitative insight to the literature since it is quantitative research that is dominant in the field. Second, they will produce insights that are practical to assist the retail managers to enhance resilience in their supply chains, optimize their pricing mechanisms, and transform organizational practices amidst tariff shocks. Third, they will contribute to policy discussions by providing firm-level insights into the impacts of trade policies on business behavior with implications that are frequently ignored in macroeconomic analyses.

Keywords

Tariffs, Retail Adaptation, Supply Chains, Trade War, Qualitative Research, Phenomenology

1. Introduction

1.1. Background and Context

International economic strategy now heavily relies on tariffs as its main tool for

protectionist trade policy implementation during the past ten years. The government protects domestic businesses conducting trade negotiations and collecting revenue through taxes on imported goods commonly known as a tariff. The recent large-scale implementation of tariffs during the U.S.-China trade conflict from 2018 to 2022 created major disruptions to worldwide business operations according to [Bown \(2021\)](#) and [Fajgelbaum et al. \(2020\)](#). The operations of retailers remain highly vulnerable to disruptions because of their business structure. The majority of retail businesses maintain small profit margins while depending on complex worldwide supply networks. The implementation of tariffs creates substantial price and operational performance impacts on businesses, because they operate within [\(Gereffi, 2020; Ivanov, 2022\)](#).

The retail industry faces exceptional vulnerability to market disruptions in this “on demand” world, because it depends heavily on foreign imports. Just the announcement of tariffs, from the President caused sudden price increases for retailers, many of which, brought apparel and electronics and household items and other consumer goods from China and other trading partners. This action by the President had far reaching effects. It forced the companies to decide between three possible actions regarding the added expenses: 1. taking them as losses, 2. raising prices for customers, or 3. finding alternative sources for their products. The choices made by companies depend on economic factors but also consider political atmosphere, strategic elements and managerial viewpoints and organizational goals. The connection between external policy requirements and internal business choices demonstrates why researchers need to study these events through the eyes of operational and managerial staff members [\(Cavallo et al., 2021; Cole & Eckel, 2018\)](#).

1.1.1. Gap in Literature

Research studies have extensively analyzed how tariffs affect trade volumes and consumer prices and national welfare but there is a major knowledge gap about how retail businesses adapt to these changes. The majority of existing research uses quantitative methods to study tariff effects on trade volumes and price movements through analysis of macroeconomic statistics [\(Amiti et al., 2019; Handley & Limão, 2017\)](#). The research provides essential information about general market patterns but fails to show how retail managers experience and handle policy changes throughout their daily work. The absence of qualitative research about retail organizations and how they are prepared to handle tariffs, creates uncertainty about their operational strategy changes including such changes as whether or not to buy American made and save money on shipping or supplier contract renegotiations by buying American made products to avoid the tariffs, also customer relationship handling and internal process reorganization.

1.1.2. Significance of the Study

This study addresses a critical gap in the trade and business literature by examining U.S. retailers’ strategic and operational responses to tariff-related disruptions, with particular emphasis on management experiences and interpretations of the

altered business environment resulting from tariffs imposed by the President. While existing research has extensively quantified trade flows, welfare losses, and price pass-through effects (Bown, 2021; Cavallo et al., 2021), these frameworks remain limited in their ability to explain how decision-makers perceive, interpret, and respond to tariff-induced uncertainty within organizations.

Using a qualitative phenomenological research design, this study enables retail managers and executives to articulate their lived experiences with tariff impacts on day-to-day operations—such as product selection, sourcing decisions, and cost management—as well as long-term strategic planning, including supplier replacement, domestic sourcing initiatives, and organizational stabilization strategies (Handley & Limao, 2017; Amiti et al., 2019). By foregrounding managerial narratives, the research captures human and organizational dimensions of trade policy impacts that are largely absent from quantitatively oriented economic studies.

The study leverages retail manager narratives to investigate how firms respond to external disruptions and economic uncertainty. These insights reveal how organizations adjust supply chain management practices, pricing strategies, and leadership approaches in periods of unpredictable trade conditions. In doing so, the research identifies organizational adaptation methods, risk management approaches, and decision-making processes that support resilience during prolonged policy-driven volatility. These qualitative findings complement and enrich existing quantitative trade research by uncovering firm-level dynamics that cannot be readily measured through aggregate data alone.

Beyond academic contribution, the study provides practical and policy-relevant insights. For government officials and policymakers, the findings offer evidence on how tariffs affect corporate supply networks, cost structures, and operational continuity, enabling more informed evaluations of whether trade safeguard policies achieve their intended objectives or generate unintended consequences that undermine retail performance. For practitioners—including supply chain managers, pricing strategists, and retail leaders—the research delivers actionable knowledge derived from comparable firms navigating similar disruptions. Consistent with prior research (Handley et al., 2024; Ivanov, 2022), the study highlights lessons related to supplier diversification, sourcing adjustments, and leadership decision-making under uncertainty.

Finally, this research establishes a foundation for future studies examining organizational adaptation across different industries, geographic regions, and regulatory environments. By integrating managerial perspectives into the analysis of trade policy effects, the study contributes to scholarly understanding while simultaneously offering guidance to practitioners and policymakers operating within an increasingly volatile global retail trade environment.

1.2. Setting the Context

1.2.1. U.S.-China Trade War (2018-2022)

The U.S.-China trade war from 2018 to 2022 established itself as a primary context

to study retail companies' responses to tariffs. The conflict began when the United States started raising tariffs on Chinese imports which China responded with matching tariff increases. The trade tariffs affected hundreds of billions of dollars' worth of imports according to [Bown \(2021\)](#) and targeted numerous product categories including consumer goods and electronic products. The initial businesses that experienced direct cost increases from Chinese imports were retailers who brought Chinese-made products to market thus requiring them to take swift strategic action. Businesses needed to handle two major challenges during this time: they had to pay additional costs, and they needed to manage the risk of escalating trade tensions.

The research environment during the trade war became distinctive because it united economic disruptions with unpredictable government interventions. Businesses needed to assess their sourcing methods, pricing strategies, and inventory management systems on a recurring basis during this period ([Fan, Zhou, Yeung, Lo, & Tang, 2022](#)). The trade war generated financial impacts that extended far beyond monetary performance. It also disrupted supply chain stability, damaged vendor relationships, and customer perceptions. The mid-size and small mom and pop retail sector proved most vulnerable to tariff price increases because their weak market position and very limited supplier influence made them unable to absorb these price rises effectively so many suffered shutdowns.

1.2.2. Impact of Tariffs on Retail Pricing and Profitability

The implementation of tariffs leads to higher operational costs for retail businesses, which forces them to establish new pricing models and profit margin strategies. Research indicates that many businesses do not fully transfer tariff costs to consumers because they choose to bear some expenses themselves while raising prices for others ([Cavallo et al., 2021](#); [Cole & Eckel, 2018](#)). The choices retailers make about pricing directly affect their market position and customer purchasing behavior and operational viability. Retail businesses need to handle present financial requirements while thinking about future business strategies that protect customer retention and supplier partnerships.

The extent to which tariffs affect businesses depends on their product range and supply chain complexity and their individual business characteristics. Companies that depend on a single supplier or geographic region for their products face higher cost volatility than businesses with multiple supplier networks ([Cavallo et al., 2021](#)). Retailers specializing in non-essential merchandise including appliances, flooring, jewelry, or imported foods deal with increased price sensitivity and greater product loss. Customers tend to postpone, cancel, or substitute for cheaper items when prices rise. The research demonstrates that studying tariffs requires careful examination of their complex effects on retail organizations because they influence both strategic and operational adaptation.

1.2.3. Global Supply Chain Challenges and Adaptation

The issue of tariffs highlighted more global supply chains weaknesses. Retailers

become increasingly aware of the fact that cost-optimized efficiency-driven supply chains tend to be less resilient to external shocks (Gereffi, 2020; Pettit, Croxton, & Fiksel, 2019). Some of the firms considered the trade war an opportunity to consider strategies like nearshoring, diversification of suppliers, or reshoring to reduce exposure to costs given by tariffs. These strategies involve a strong attention to logistics, the reliability of the suppliers and the long-term investment in the working capacity.

The continuity of retail operations during uncertain trade times depended heavily on supply chain resilience according to maintain business stability. The companies which invested in contingency planning and alternative sourcing and flexible inventory management systems were able to handle disruptions better and maintain their services (Ivanov, 2022). The strategic responses of mid-size retailers involved complex actions that included contract renegotiations and cost-benefit assessments and multi-functional coordination efforts. The application of adaptive strategies by retail managers enables organizations to handle policy-driven disruptions while maintaining operational continuity under high pressure according to Fan et al. (2022).

1.2.4. Focus on Mid-Size Retailers

Definition and Scope of Mid-Size Retailers

This study focuses on medium-scale retail firms operating within the United States that rely substantially on imported products and international supply chains. These firms occupy a critical position between small enterprises with limited market exposure and large multinational retailers with extensive financial buffers and centralized global operations.

For the purposes of this research, *mid-size retailers* are operationally defined as firms that meet the following criteria:

- Annual gross revenue between \$10 million and \$500 million USD,
- Employment levels ranging from 50 to 500 full-time equivalent (FTE) employees,
- Operations spanning multiple retail locations (typically 2 - 50 stores) and/or integrated e-commerce channels, and
- Organizational autonomy in strategic decision-making, including sourcing, pricing, inventory management, and supplier relationships, without full dependence on corporate headquarters or franchise mandates.

These firms are particularly relevant to the study of tariff impacts because their resource constraints and supplier dynamics necessitate deliberate, firm-specific strategic adaptations. Unlike large retailers that can absorb trade shocks through economies of scale or long-term hedging mechanisms, medium-sized businesses must balance cost pressures, supply continuity, and customer expectations with comparatively limited financial and operational flexibility.

The work of these retailers illustrates the practical business challenges of maintaining financial performance, operational continuity, and customer satisfaction under sluggish trading conditions. Their responses to tariffs—such as renegotiat-

ing supplier contracts, adjusting pricing strategies, diversifying sourcing regions, or modifying product assortments—offer concrete examples of how trade policy effects manifest at the organizational level.

Analyzing the lived experiences and strategic decisions of these mid-size retailers provides insight into comprehensive operational and strategic adaptation mechanisms. These findings contribute to a deeper understanding of how trade policy influences business behavior and how organizational resilience is constructed and sustained within the mid-market retail sector.

1.3. Problem Statement

1.3.1. Defining the Problem

The United States faces rising business uncertainty because of changing tariff policies which affect retailers. Tariffs stemming from the trade war between the U.S. and China have raised company costs, made supply chains volatile, and compelled businesses to battle more aggressively for consumer market share. Retailers experience the most significant impact from disruptions since they rely on reliable supply chains and consistent product costs. Alterations to trade policy produce higher costs for inputs, delayed delivery schedules, and changed patterns of market demand. The volatile business climate compels executives to make immediate crucial choices without definitive information about upcoming policy changes.

1.3.2. Gap in Existing Knowledge

Studies by economists on tariff influences have chiefly addressed quantitative and macroeconomic features of trade flows, consumer costs, and product quality (Ludema & Yu, 2016; Manova & Yu, 2017). Present research contributes vital information about widespread trends yet falls short of revealing the operational effects these policies have on particular enterprises. Present research inadequately addresses how retail managers and leaders handle tariff disruptions by engaging with suppliers, adjusting operations, and modifying prices.

Available knowledge insufficiently captures the authentic struggles that decision-makers meet when managing these problems in their real working conditions.

1.3.3. Importance of Addressing the Problem

The expertise that retail executives gain from these situations is important since they develop organizational adaptation strategies. Management team choices in retail control whether firms can retain financial performance while preserving consumer loyalty and market credibility throughout trade policy evolution. The study offers crucial insights into how executives navigate the balance between immediate organizational survival and future business continuity based on their lived experiences. This research framework advances academic discourse on trade policy consequences and offers concrete tools for assisting retail enterprises in unpredictable international markets.

1.4. Purpose Statement

The research looks at how U.S.-based retailers handle operational and strategic changes when facing tariff regulations. It investigates how managers and executives handle rising costs and supply chain problems as well as market competition through their direct experiences. It concentrates on four key areas. These consist of supply chain adaptations, pricing models, vendor relationship coordination, and organizational leadership transitions. This study analyzes the manner in which retailers construct operational adaptability using concrete practices that facilitate profit maintenance while readying for future global commercial uncertainties. (Handley, Kamal, & Monarch, 2024; Yang, Ou, & Chen, 2021).

1.5. Research Questions

The research investigates U.S.-based retailers who face tariffs through five specific questions which examine their difficulties and their response methods.

- 1) Which operational and financial challenges do retail managers recognize when talking about the effects of tariffs?
- 2) What methods do retail businesses employ to minimize tariff impacts on their pricing structures, supply chains, and customer service functions?
- 3) What alterations in supply chain sourcing, supplier portfolio expansion, and domestic manufacturing repositioning have been caused by tariff policies?
- 4) How did tariff-related disruptions influence changes in organizational decision-making structures, leadership practices, and internal communication processes within U.S. retail firms?
- 5) What preparation methods do retailers employ ahead of pending trade policy revisions that will affect their business operations?

2. Review of Literature

2.1. Tariffs and Trade Policy in Retail

The main function of tariffs as part of trade policy has always been to protect domestic industries by creating foreign competition barriers. They generate income and build negotiating strength in global trade agreements. Three principal goals are accomplished when governments impose tariffs. They have economic and political objectives which include domestic industry protection, revenue generation, and international trade dispute resolution by using leverage through negotiation. Theoretical models show that tariffs create price changes which affect both producers and consumers by modifying their market behavior (Handley & Limão, 2017). The retail sector experiences the most severe effects of these policies because of its position as a link between worldwide supply networks and final consumer markets. The position of retailers as supply network connectors between global suppliers and end customers leads to fast price and margin and demand elasticity changes when tariffs occur. The implementation of consumer product tariffs creates an urgent operational and strategic problem for businesses.

The U.S.-China trade war starting in 2018 through multiple years of rising tariff implementation provides the best example to study these market effects. [Bown \(2021\)](#) explains that the trade conflict progressed through multiple stages as tariffs were applied to hundreds of billions of dollars' worth of traded goods including electronics and apparel and household items which drive retail operations. The Phase One agreement between the two countries established purchase commitments and intellectual property rules but it did not reverse most existing tariffs. The partial agreement between the countries maintained high costs and high uncertainty for retailers who needed to operate under these conditions. The unpredictable nature of tariffs presented as great a challenge to retail managers as the actual tariffs themselves because it made it difficult to plan for the future and make investment choices.

Research has extensively analyzed how much of the tariff costs gets transferred to the prices that consumers must pay at the end of the supply chain. Research shows that tariffs create incomplete price transmission which affects different market sectors differently. The research by [Amiti, Redding and Weinstein \(2019\)](#) demonstrates that U.S. consumers faced rising retail costs from tariff increases mainly in product categories with restricted substitution possibilities. The research by [Cavallo, Gopinath, Neiman and Tang \(2021\)](#) demonstrate that border costs and importer expenses did not fully absorb the price increases because substantial amounts ended up in retail prices which reduced consumer purchasing power. The situation placed retailers in a difficult position because taking tariff expenses would cut into their minimal profit margins yet transferring these costs to customers might decrease market demand. The research by [Cole and Eckel \(2018\)](#) demonstrates that retail market competition between firms determines the degree of price increase from tariffs because dominant retailers can transfer more costs to customers but smaller retailers must bear higher tariff expenses.

Research shows that tariffs create more than external disturbances because they generate a chain reaction in retail operations which modifies pricing strategies and market competition and results in changes to consumer well-being. The existing quantitative studies about pricing effects and welfare changes from tariffs have not been enough to understand how retailers understand and handle these market transformations. The research gap shows why it is essential to study retail management and organizational approaches because statistical models and aggregate data fail to reveal these aspects.

2.2. Retailers' Supply Chain Vulnerability

The global retail industry depends on international supply chains which makes businesses more susceptible to trade disruptions because of their deep connection to global networks. [Gereffi \(2020\)](#) demonstrates that the COVID-19 pandemic exposed the weak points of worldwide supply networks because they depend on few suppliers and use just-in-time delivery systems. The U.S.-China trade war demonstrated existing supply chain vulnerabilities because tariffs increased the expenses

and dangers of depending on Chinese suppliers. The short-term policy-induced shocks hit retailers who brought finished goods and Chinese inputs into the United States because they had no quick alternatives for response. [Ivanov \(2022\)](#) extends this concept by showing that supply chains optimized for efficiency become less resilient to external disturbances including trade barriers and geopolitical crises. Retailers face a dual challenge because they need to minimize costs while developing flexibility to handle unpredictable trade conditions. The issue facing the retailers is the necessity to maintain costs at minimum and the flexibility in changing trade conditions.

To address these vulnerabilities, the resilience strategies have taken the center stage in management of the supply chain in the retail industry. Three general categories of adaptation are nearshoring, supplier diversification and reshoring. [Petit, Croxton and Fiksel \(2019\)](#) explore the history of resilience thinking in supply chain management and confirm that more companies have shifted their focus towards flexibility and redundancy in addition to costs. For instance, nearshoring enables companies to have shorter supply chains by cutting off the exposure to trade lanes that might be characterized by heavy tariffs and enhancing responsiveness to the market demand. Diversification of suppliers disperses the risk among different geographies and therefore when one region is affected the operation is not brought to a standstill. This is supported by [Duchek \(2020\)](#) who views organizational resilience as a capability challenging the idea that resilience is a reactive measure but rather a form of organization orientation. In the case of retailers, it entails the creation of the processes and competencies enabling quick adaptations to sourcing, logistics, and relations with vendors under ambiguous circumstances.

The practical implications of tariffs on the supply chain in the retail market have been emphasized empirically. As revealed by [Fan, Zhou, Yeung, Lo and Tang \(2022\)](#), the trade war between the U.S and China interfered with the performance of the U.S. companies, especially those that have complicated supply bases. Their results imply that companies that had stronger outsourcing intensity and complexity of their suppliers had more challenging adjustments. Likewise, [Handley, Kamal and Monarch \(2024\)](#) offer firm-specific evidence of how U.S. retailers and manufacturers restructured their sourcing relationships in a response to tariff shocks, moving to other suppliers and rebalancing sourcing relationships. The implementation of these adjustments required suppliers to sign new contracts and businesses to allocate funds for logistics development and accept short-term operational disruptions. The study shows that organizations actively manage policy disruptions instead of passively accepting their effects.

Research findings demonstrate that supply chain exposure functions as the primary mechanism which tariffs create problems for retailers. The benefits of global integration through cost savings and large-scale operations have exposed businesses to increased sensitivity when facing policy disruptions. The evidence demonstrates that retail companies must develop resilience through diversification and nearshoring and organizational capabilities because these strategies have become

vital for success in unstable trade environments. The majority of research about tariff pass-through exists at a quantitative or structural level but lacks qualitative analysis of retail manager risk perceptions and trade-off negotiations and organizational implementation of resilience strategies.

2.3. Strategic and Organizational Responses

The implementation of tariffs requires retail firms to swiftly modify their operations to ensure economic survival and retain their customers. Retailers chiefly react to tariff disruptions by changing how they establish their prices. Studies show that companies do not pass on the full burden of tariff expenses to consumers. The study by [Cole and Eckel \(2018\)](#) demonstrates that businesses distribute tariff costs between themselves and their customers by taking some of the burden to maintain customer demand while raising prices for the remaining amount. The extent of price increase depends on market competition and customer price sensitivity according to [Ludema and Yu \(2016\)](#) because businesses with thin profit margins and price-conscious consumers tend to bear more costs internally. Businesses with powerful brand recognition and market leadership are able to raise prices because they maintain influence over their clientele. The challenge of reconciling business performance and profitability with customer satisfaction is immensely difficult.

Companies redesign supply frameworks and shift product lineups to deal with tariff pressures on operational performance. [Manova and Yu \(2017\)](#) found that retailers relocating their supply chains from countries with tariffs to nations without tariffs or with lower risk levels see decreased efficiency. Firms deploy three fundamental strategies to reduce tariff exposure by transferring production operations domestically, increasing supplier diversification, and focusing on homeland procurement practices. The findings from [Yang and associates \(2021\)](#) indicate that supplier negotiations are indispensable for risk distribution because sustaining long-term collaborative relationships is critically valuable. Retailers make their suppliers take on tariff expenses through cost absorption or term renegotiation or product modification to protect their profit margins. Numerous companies strive to reduce import costs by selecting merchandise with stable pricing over goods subject to considerable tax obligations. Within this framework, leadership conduct and organizational feedback are equally important. [Duchek \(2020\)](#) asserts that resilience emerges on operational as well as cultural planes. Leaders of firms affected by tariffs need to handle uncertainty through open communication and team empowerment and scenario planning for multiple possible results. Tariff disruptions drive companies to establish centralized decision-making approaches where upper management takes charge of swift response efforts. The centralized approach to decision-making during disruptions receives operational intelligence from supply chain and finance managers who work at the bottom level of the organization.

The process of adapting to tariffs requires multiple strategic approaches which

include price adjustments and supply network redesigns and vendor contract renegotiations and leadership practice transformations. The instituted policies evidence that retailers behave as active policy upheaval responders who examine new methodologies to construct reliable operational stability throughout erratic market situations.

2.4. Qualitative Research in Business Adaptation

Research studies of retail managers and executives demonstrate their direct experience with tariff disruptions yet quantitative research methods fail to uncover these insights. [Guest et al. \(2020\)](#) demonstrate that qualitative research methods become essential for studying real-world decision-making because they reveal organizational dynamics and personal motivations and perceptions which large datasets cannot show. [Nowell et al. \(2017\)](#) explain that qualitative inquiry works best in uncertain environments such as tariff disruptions because it reveals how people perceive complex situations.

The research design requires a phenomenological research method. [Kallio et al. \(2016\)](#) explain that phenomenology focuses on lived experiences to understand how people experience and interpret challenging situations. The research method enables the study of U.S. retail managers' descriptions about tariff-related problems and their strategic choices and performance assessment. The financial aspects of adaptation receive less emphasis in phenomenology because the method focuses on subjective elements which affect strategy development and execution including stress levels and leadership identity and resilience.

The research method of thematic analysis works together with phenomenology to identify recurring patterns in qualitative data through a systematic approach. [Nowell et al. \(2017\)](#) demonstrate thematic analysis provides both flexibility and rigor which makes it the most suitable method for business research that involves diverse interview transcripts. The method reveals essential organizational aspects which include cost absorption strategies and supplier negotiation methods and leadership changes and policy uncertainty understanding. The research method allows researchers to study how different organizational roles affect tariff disruption experiences through executive and supply chain manager and store leader coding.

The research method of qualitative inquiry enables researchers to study adaptation through the lens of organizational culture. [Guest et al. \(2020\)](#) explain that interviews and case-based approaches reveal organizational values and trust and communication norms which help researchers understand external shock responses. A collaborative organizational culture enables supplier partnership for problem-solving but a hierarchical culture makes decisions centralized during crises. The specific cultural elements explain why two retailers facing identical tariff conditions will respond in completely distinct ways.

The research design uses phenomenology together with thematic analysis to generate detailed findings about retail adaptation based on specific business envi-

ronments. The research approach generates quantitative data that combines with human-focused policy impact understanding to create a complete picture of retail business survival during tariff-related difficulties.

2.5. Qualitative Paradigm

The research bases its foundation on interpretivist principles which state that people construct reality through their personal interpretations of life events. The interpretivist approach studies how retail executives and managers understand their challenges and create decisions and interpret their uncertain situations. The research paradigm aligns with phenomenology because it focuses on understanding the core aspects of personal experiences. The study by [Kallio et al. \(2016\)](#) demonstrates how phenomenology enables researchers to comprehend human perceptions of intricate situations which in this research includes operational disruptions and supplier relationship changes and leadership adjustments during trade pressure. The research design uses qualitative methods because quantitative studies focus on measuring general tariff effects by analyzing price changes and welfare reductions. The research conducted by [Cavallo et al. \(2021\)](#) and [Fajgelbaum et al. \(2020\)](#) shows how tariffs impact consumer prices and trade patterns across macro and industry levels yet their approaches do not expose the daily mental processes of managers who deal with disruptions. The research design allows investigators to discover organizational responses and leadership challenges and coping mechanisms which statistical data cannot detect. The research design enables the researcher to study the actual adaptation process which occurs in operational retail settings.

The research paradigm seeks to identify particular managerial views about their coping strategies and their strategic decision-making processes. Through this research method managers can explain their stress levels and their supplier negotiations and their pricing and sourcing decision processes which expose human elements of organizational adaptation. The research shows that organizational resilience depends on cultural aspects and trust-based relationships and efficient communication systems to develop resilience. The qualitative interpretivist research method enhances existing quantitative studies by delivering specific explanations about how individual retailers handle tariff disruptions through their organizational experiences.

3. Method

3.1. Research Design

The research design uses phenomenological qualitative methods to study how retail managers experience tariff disruptions in their daily work. This research strategy is fitting for the study because it emphasizes participants' subjective interpretation of their experiences rather than searching for comparable findings among various populations.

[Moustakas \(1994\)](#) states that phenomenology gives researchers the capacity to

expose underlying dimensions of a phenomenon by means of extensive participant perception and reflection examination. The research design based on this approach enables researchers to study tariff-related challenges through the eyes of decision-makers who handle supply chain volatility and pricing issues and operational changes. Kallio and associates (2016) establish that phenomenological research strategies bring value to business studies because managers substantially rely on their interpretive faculties. The research design uses this framework to produce findings about how retailers understand tariff shocks and handle uncertainty while adapting their strategies beyond what quantitative methods can measure.

3.2. Participants and Sampling

The study will enlist 10 to 12 participants from retail businesses located in the United States that operate across diverse consumer goods markets. Eligible participants include retail managers, procurement officers, and supply chain directors who possess direct, first-hand experience with tariff-related decision processes and trade disruptions affecting their organizations.

The study employs purposeful sampling to identify participants whose professional roles and experiences align with the research objectives. Potential participants will be identified through industry associations, professional retail and supply chain networks, and existing managerial contacts within the U.S. retail sector. Publicly available professional platforms, such as industry directories and networking forums, will also be used to locate individuals whose responsibilities include sourcing, supplier management, pricing, or strategic planning influenced by tariffs.

Initial participants will be contacted via professional email or direct messaging with an invitation outlining the study's purpose, participation requirements, and ethical safeguards. In addition, snowball sampling will be utilized, whereby early participants are invited to recommend other qualified professionals within their networks who meet the study's inclusion criteria. This approach is particularly appropriate for accessing decision-makers involved in sensitive trade and sourcing decisions that may not be easily identifiable through public channels.

The use of purposeful and snowball sampling supports the study's aim of deeply exploring complex, context-specific phenomena rather than achieving broad statistical representation. Prior research indicates that firms with complex supply chains and high levels of outsourcing experience distinct tariff impacts, making managerial perspectives especially valuable (Fan et al., 2022). To capture these dynamics, participants will be selected from multiple organizational levels, enabling the collection of both strategic executive insights and operational knowledge from mid-level managers.

By incorporating participants from varied retail contexts while ensuring all have direct experience with tariffs, the study enhances credibility and validity through rich, comparative perspectives. This recruitment strategy ensures that the

data reflect the lived experiences of decision-makers most directly affected by trade policy disruptions, thereby strengthening the study's contribution to understanding organizational responses to tariffs.

3.3. Data Collection

Data will be collected through semi-structured interviews ranging from 45 to 60 minutes in duration. This framework provides structured guidance yet remains flexible enough for researchers to investigate established themes while giving participants space to raise unforeseen but pertinent issues. The topics that will be addressed by sample interview questions include the perceived effect of tariffs to everyday functioning, the adaptations in the supply chain in response to the cost pressures, pricing and mark-up policies, negotiations with vendors, and decision-making during uncertainty. This format will make the participants critically appraise both organizational and personal responses to disruption due to tariffs.

Nowell with collaborators (2017) address the appropriateness of using interviews as a method for gathering comprehensive and situation-specific data, in contrast to Guest et al. (2020) draw attention to the fact that the thematic saturation may often be achieved even with small samples when the interview is elaborate and designed properly. One-on-one interviews or implementing secure video meeting technology will allow participants flexibility and overcome geographical limitations.

3.4. Data Analysis

The researcher will use thematic analysis to analyze data because this method effectively reveals patterns and variations within qualitative research findings. The research process starts with interview transcription followed by multiple readings to understand the data content. The researcher will perform coding to identify recurring concepts which will then be organized into themes and sub-themes that show common experiences among participants. Braun and Clarke (2006) developed a six-step analysis model which provides structure for research while allowing flexibility to match the study's managerial focus. Nowell et al. (2017) emphasize that thematic analysis requires researchers to achieve trustworthiness through defined coding methods and open interpretation processes. The research will use NVivo or equivalent qualitative analysis software to handle coding operations and maintain data organization and enable case-to-case comparison analysis. The method enables researchers to discover how retailers describe tariff-related difficulties and their chosen adaptation methods.

3.5. Ethical Considerations

This study will be conducted in full accordance with established ethical standards for research involving human participants. Prior to data collection, the research protocol will be submitted for review and approval by the Institutional Review Board (IRB) of the affiliated academic institution to ensure compliance with eth-

ical, legal, and professional guidelines.

Participation in the study will be voluntary, and all participants will receive an informed consent form outlining the purpose of the research, the nature of their involvement, potential risks and benefits, and their right to withdraw at any time without penalty. Given the sensitivity of tariff-related business decisions, particular care will be taken to minimize any risk of professional or organizational harm.

To protect participant confidentiality, data anonymization procedures will be implemented at multiple stages. Participants and their organizations will be assigned pseudonyms, and any identifying details (e.g., company names, specific suppliers, or geographic markers that could reveal identity) will be removed or generalized during transcription and analysis. Only aggregated findings and de-identified quotations will be reported in the final manuscript.

All digital data—including audio recordings, transcripts, and analytic notes—will be stored on password-protected, encrypted devices or secure institutional cloud storage accessible only to the researcher. Physical documents, if any, will be kept in a locked file cabinet in a secure location. Data will be retained for the period required by institutional policy and then securely destroyed.

These ethical safeguards strengthen the research protocol by ensuring participant privacy, data integrity, and compliance with IRB requirements, while fostering trust and openness among participants discussing sensitive organizational experiences related to trade policy impacts.

4. Assumptions and Limitations

The research rests on a number of essential assumptions. The study needs participants experienced with their firm's tariff methods to produce important discoveries. The research depends on participants to remember their organization's tariff-related choices and events accurately. The investigation requires participants to give sincere and extensive information about how they have adapted to trade pressures.

Multiple limitations affecting the research outcomes are recognized in this study. The study's 10 to 12 participants represent an appropriate qualitative research sample but limit how extensively the conclusions can be generalized to larger populations. The study concentrates on the United States. Retailers create a restricted scope which might reduce the applicability of findings to retailers operating in different national markets. The research faces potential self-reporting bias because participants might show their organizations in a positive light while hiding important details remain unreported (Guest et al., 2020; Nowell et al., 2017). The research investigation seeks to discover new knowledge which will benefit academic research and real-world implementation.

5. Implications

The proposed research generates multiple practical and research-based and policy-oriented effects. The research outcomes offer retailers the means to consoli-

date their supply networks and prevent future business disturbances. Research outcomes related to supplier diversification, reshoring, and adaptive leadership can deliver valuable guidance to organizations experiencing uncertain conditions. The research data enables leadership to construct pricing schemes that justly proportion operational expenses with customer economic capability. The research findings about organizational decision-making processes enable organizations to develop flexible leadership structures which adapt to unpredictable external environments (Duchek, 2020; Pettit et al., 2019).

The research provides foundational work will create a base for future studies about firm-level adaptation to trade policy changes. Crucial findings are obtained through qualitative research that standard wide-scale quantitative studies cannot obtain. The study supplies a platform for exploring supply chain disruptions and organizational durability in different nations and retail subdivisions by means of comparative research. Forward-looking investigations should merge qualitative and quantitative techniques to produce extensive and profound analytical insights.

This study supplies concrete proof of tariff effects that goes further than established macroeconomic indicators used to assess trade deficits and national economic welfare.

Policymakers can leverage these insights to review the unexpected outcomes of tariff implementations on retail organizations, covering procurement practices, workforce distribution, and pricing methodologies (Fajgelbaum et al., 2020). The focus on the firm-level views provides a more comprehensive view of the translation of trade policies into practical organizational results, which enables making more informed decisions on the future by relying on the research.

6. Researcher Positionality and Reflexivity

In phenomenological research, reflexivity is essential to methodological rigor and transparency. The researcher acknowledges that their educational and professional background shapes both the design of this study and the interpretation of participants' lived experiences. Specifically, the researcher holds a master's degree in accounting and business management and has extensive entrepreneurial experience as the owner and operator of three businesses in the United States and two businesses overseas, collectively valued in the millions of dollars and employing hundreds of people.

This background provides the researcher with substantial familiarity with financial decision-making, supply chain management, international sourcing, regulatory environments, and organizational leadership, all of which are directly relevant to the study of tariff-related disruptions. While this experience enhances contextual sensitivity and enables informed engagement with participant narratives, it also presents the potential for implicit assumptions or interpretive bias, particularly regarding managerial rationales, risk tolerance, and strategic adaptation.

To address this, the researcher will engage in systematic reflexive practices

throughout the study, including reflexive journaling and analytic memo writing to consciously bracket prior experiences and expectations. These practices will support deliberate attention to participants' meanings as expressed in their own language rather than through the lens of the researcher's business experience. Interview protocols will employ open-ended, non-leading questions, and analytic decisions will be documented to ensure transparency in how interpretations are formed.

By explicitly acknowledging positionality and actively managing its influence, the study enhances credibility, dependability, and confirmability, ensuring that findings authentically reflect participants' lived experiences of tariff-related challenges rather than the researcher's professional perspective.

Conflicts of Interest

The author declares no conflicts of interest regarding the publication of this paper.

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Appendix A: Interview Protocol

Retail Manager Interview Guide

- 1) How did your organization first respond to the implementation of tariffs?
- 2) What internal discussions or decisions were made as a result?
- 3) Can you describe any specific changes to your supply chain, vendor relationships, or pricing strategies?
- 4) How have these changes affected day-to-day operations?
- 5) What lessons or reflections have emerged as a result of this period?

Appendix B: Informed Consent Form

Informed Consent for Participation in Research

Title: Retailers' Adaptation to Tariffs

Researcher: [*Your Full Name*], [*Your Institutional Affiliation*]

Purpose of Study: To explore how retail decision-makers adapted to the impacts of U.S. tariffs from 2018-2022.

Procedures: You will participate in a 45 - 60-minute semi-structured interview. With your permission, the session will be recorded for transcription and analysis.

Confidentiality: Your responses will be kept confidential and used solely for academic purposes. No identifiable information will be shared.

Voluntary Participation: Your participation is completely voluntary. You may withdraw at any time.

Contact: For any questions, please contact the researcher at [Your Email Address].

Consent:

I have read and understood the information above and agree to participate in this study.

Signature: _____ Date: _____