



Go-to-Market 2025: Options and Imperatives

A comprehensive study of the evolving foodservice channel and a road map for success

JUNE 2017

IMPORTANT BACKGROUND

The foodservice industry continues to evolve and supply chain participants can never be too prepared for the growing challenges and complexities of the business.

Relying on its experience, knowledge and original research, Pentalllect is offering a comprehensive view of how the industry is likely to evolve, and, most importantly, how supply chain participants must respond to succeed in the future operating environment.

The **Go-To-Market 2025: Options and Imperatives** study provides critical insights and recommended action steps that will create the foundation for enhanced strategic and functional plans, and drive effective decision making and resource alignment. The insights in the study will help shape the way manufacturers, distributors and sales agencies manage their businesses and their trading partner relationships by ensuring their vision is well focused and their plans are grounded in business realities.

The breadth and depth of this study makes it truly unique as the “go to/best in class” study for the foodservice environment up to and including 2025. More than just a report, **Go-to-Market 2025: Options and Imperatives** is designed to align management teams on go-to-market imperatives and drive specific plans and actions. Elements include:

- **Extensive research and analyses** into each focus area to provide the most comprehensive mapping and assessment of the changing foodservice operating environment
- **Identification of imperatives for change** across the supply chain
- Assessment of **implications, options and requirements for success**
- **Comprehensive reporting**, with detailed sections dedicated to each study area
- **On-site management meetings** to review study insights, assess implications, and discuss specific Pentalllect recommendations regarding actions steps

SITUATION ASSESSMENT

The foodservice industry is experiencing transformative structural and behavioral change, the rate of which will accelerate over the next several years. As consumer behavior shifted, consolidation increased and competition evolved, many customers, segments and approaches that drove success for industry participants have reached a state of maturity or decline.

Simultaneously, we have seen the strengthening of certain “power buyers” (most notably GPOs), the emergence of disruptive distribution channels like online, unprecedented margin pressures, and the rapid advance of enabling technologies.

Despite this dramatic change and slow industry growth, foodservice industry participants continue to employ traditional and generally undifferentiated go-to-market strategies. As the market continues to restructure and “tried and true” practices become less efficient and effective, it is critical to objectively evaluate the current and future state relative to go-to-market models to determine “course correction” and investment priorities.

PENTALLECT'S STRATEGIC STUDY

Pentalllect will detail, evaluate and discuss the following critical go-to-market elements and assess their relevance to various types of food, beverage and nonfood manufacturers (by size and brand structure), distributors and sales agencies. The result of the assignment will be a “mandate for change” accompanied by a change management roadmap.

Landscape Assessment: Size and Growth Drivers

DISTRIBUTION: ROUTE-TO-MARKET STRUCTURE & DYNAMICS

- Top 100 distributors, individually listed and segmented by type (inclusive of club stores and cash-n-carry)
- Specialty and small broadline distributors
- Third-party online and e-commerce
- Manufacturer direct (e.g., coffee roasters, bakeries, dairies)
- Redistribution

OPERATORS: EVOLVING NATURE OF CONSUMER DEMAND FULFILLMENT

- Top 100 restaurant chains
- Other restaurant chains (101 – 500)
- Top 50 other commercial chains (e.g., c-store, lodging)
- Top 25 foodservice management firms
- GPOs (source and access types)
- Other contracted business (K-12, Military, Corrections, etc.)
- “Street” business; size and drivers of Independent / Street operator performance
- Non-traditional channels’ growing impact (Food Trucks, Home Meal Delivery, Restaurant / Grocery Meal Delivery Services, Farmer’s Markets, etc.)

SALES AGENCY ASSESSMENT: DETAILED OUTLOOK FOR THE BROKER COMMUNITY

- Will there be further consolidation? If so, what will be the implications?
- Can brokers successfully transition to new revenue models?
- How will broker roles and responsibilities evolve?
- How will the national broker model change and adapt?
- What is the future of local market and specialty brokers?

Critical Issues and Go-to-Market Considerations

For each sector, the study will address operating practices (with focus on buying and selling) and rationale for growth. In addition to the Landscape Assessment, critical issues that will be covered in **Go-To-Market 2025: Options and Imperatives** include:

- Understanding how trade customer practices and priorities are likely to evolve and change, and what that means to the supply chain community. Included in this analysis will be strategic commentary on the likely evolution of customers' trade spending demands and manufacturers' anticipated responses.
- Estimated manufacturer "cost to serve" for each primary customer sector (a proprietary model will be developed)
- Prevailing and identified best manufacturer practices relative to sector coverage and business development
 - Including reaching the growing Independent / LLO operator segment
- Comprehensive future state and manufacturer, sales agency and distributor readiness assessments
 - Major emphasis on how and which capabilities will change the nature of relationships and customer interface, and lead to sustainable competitive market advantage
- Analytics: Impact of Enabling Technologies, including Big Data, on Go-to-Market Models
 - Identification and assessment of the emerging technologies that will drive improved analytics and directed business development efforts
 - Data aggregation processes to leverage multiple information sources
 - Building enhanced analytical capabilities – roles & responsibilities, structures and best practices
- Coverage, staffing, deployment and compensation options
 - Appropriateness for various types of companies
 - "Sales force of the future"
 - Role of outsourcing
 - Organization design
 - New skills, hiring profile
 - Roles and responsibilities, including requisite specialization

PRIMARY STUDY DELIVERABLES

The Pentalllect **Go-to-Market 2025: Options and Imperatives** study will provide participating companies with an executive summary of the results along with a full report, customized recommendations, and an on-site work session. The report will provide extensive strategic commentary and identify and prioritize imperatives for change.

STUDY PROCESS

To conduct this work, Pentalllect will rely on its “best in breed” experience and multiple inputs.

- Study steering committee (consisting of 3 – 5 participating companies)
- Published materials
- Large scale interview program with industry participants
- Proprietary research
- Pentalllect affiliates (including Mike Roach, Bob Planck and Bob Sala)
- Service providers (agencies, solution providers)

PENTALLECT’S UNIQUE CREDENTIALS

Pentalllect is a food industry strategic consulting and business improvement firm specializing in “mission critical” areas related to sales and marketing, supply chain and spending effectiveness. Pentalllect partners and affiliates are highly experienced industry veterans. The firm focuses on providing its clients with pragmatic advice and thought leadership.

Pentalllect’s management team consists of: Bill Caskey, Barry Friends, Bob Goldin, Gary Karp and Rob Veidenheimer

STUDY DETAILS

Pentalllect’s **Go-to-Market 2025: Options and Imperatives** study will be initiated in July and will be completed in September 2017. The cost to participate in the study is \$17,500 per company; excluding travel expenses for the onsite workshop.

SIGN UP

To sign up for Pentalllect’s **Go-to-Market 2025: Options and Imperatives** study, please either submit the attached form, email us at info@pentalllect.com, or call 888-651-3104.

Acceptance

Accepted by:

NAME _____

SIGNATURE _____

TITLE _____

E-MAIL _____

ADDRESS _____

PHONE _____

DATE _____

Once approved, please sign, scan and email this page to Rob Veidenheimer at robv@pentalllect.com.

Thank you for your business!