

Exploring the past, present, and future role of "relationships" in Foodservice

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# Stirring the Pot

## True or False: "Foodservice is a Relationship Business"

I first heard this in 1978(!) when I started my career working for a foodservice manufacturer. Looking back, we often said it to explain how our business differed from the Retail business. Even back then, Retail had IRI/Neilsen/scanner data which drove a lot of Marketing, Sales, and Purchasing decisions. And Retail Customer purchasing decisions were very much centralized at grocery headquarters. In contrast, we in Foodservice had to rely on information gleaned from having "feet on the street" and strong local relationships.

These strong local relationships have been the foundation of the value provided by foodservice brokers forever. Their "live, local and longstanding" relationships make them known and trusted by the distributors and major operators in their markets. As a result, the manufacturer's Marketing, Sales and Support efforts are streamlined, shortened and made more effective.

Of course, Foodservice Category Management, Sourcing, RFP's and other initiatives have brought data-driven decision making to our world as well. Purchasing decisions which used to be dispersed among countless distributor and operator locations have been greatly consolidated and centralized.



## *relationship*

noun

\* a connection, association, or involvement.

\* an emotional or other connection between people.

And these decision-makers (a growing number of them Millennials) have more product information at their fingertips (thumbtips?) than they could ever receive in 100 sales presentations.

**As a result, we now have a new saying:**

Q: *"What time of day does an operator want to receive a sales call?"*

A: *"Never!"*

These days, we're all learning to maintain and nurture relationships, and even create new relationships, without personal, face-to-face contact. And yes, business goes on....

I think we'd all agree that Zoom, Teams, and the like are not a perfect substitute for live, face-to-face meetings. But I also think most of us would admit that they're working better than expected as we all get used to the format. As one Foodservice Sales veteran told me a few weeks ago, "I can't imagine ever getting on a plane again to talk with someone for an hour!"

So I ask you:

- Can we sell Operators and Distributors whom we've never met without ever visiting them personally?
- What do Operator and Distributor prospects really need in order to make a Purchasing decision?
- How many Foodservice Marketing, Selling, and Decision-Making activities truly require personal relationships these days?
- How many truly require "live and local" face-to-face representation?

Without going into detail, I recently laid out a list of 46 typical Foodservice Marketing and Sales Activities. Then I thought about each and polled a few friends in an attempt to answer the above questions.

I came up with 3 requiring a personal relationship, and 16 requiring live and local representation. And that's assuming we go back to having food shows, face-to-face business reviews, and DSR ride-withs!

**Am I missing something, or do we have a once-in-a-lifetime opportunity to thoroughly reengineer our Foodservice Marketing and Sales processes?**

Can we take a hard look at our businesses and stop using people to execute the mundane, repetitive, time-consuming tasks that are better done with technology? Can we recognize that relationships can be built in new ways, and test new approaches to finding and developing prospects?

Disclaimer:

*If this sounds like a “replace the brokers” diatribe, that is not my intent. As outlined in Paragraph 2, replacing the brokers would require a large local direct sales force which would also need long-term stability in order to build and maintain those relationships. But that’s based on a pre-technology, pre-consolidation, pre-Covid world.*

*If manufacturers and distributors can reengineer our Sales and Marketing processes, shouldn’t brokers also rethink their roles and re-set their value proposition?*

As I worked on this commentary, I realized that I was thinking about both "relationships" and "live and local" representation. And I'm not sure they're one and the same.

**So I leave you with three more questions (and my proposed answers):**

1. Can we have relationships without “live and local” contact?

*Absolutely, but historically live and local contact has served to strengthen them*

2. Can we have “live and local” contact without relationships?

*Absolutely, there are a lot of sellers and buyers who don’t like or trust one another!*

3. Don’t we all have a “relationship” with Amazon? **WAIT....WHAT?**

Going back to the definition at the top of the page:

*Connection, association, involvement? – yup!*

**Emotional? - sure, for some people**

We know, like and trust Amazon. We appreciate its reliability, and use it to find information, answers and ideas...all without a single face-to-face interaction outside a friendly wave to the drivers (when we're home to see them).

Maybe what this all means is that Foodservice still is (and maybe always will be) a "relationship business." **But the nature of those relationships will be markedly different going forward.**

I sincerely invite you to weigh in with your thoughts by [clicking here](#). We'll share them (anonymously, of course) in a future issue.

Until then, thanks for reading!