

Scenario Two: Selling PLANTERS® Brand On-The-Go Tube Nuts to Riverland University

Description

You are a Hormel Foodservice Territory Manager calling on Danny, the food and beverage director at Riverland University, a large university. Hormel Foods sells their product through the local distributor, UNFI. Ray, the UNFI distributor sales representative (DSR), saw the new PLANTERS® Dry Roasted Sweet 'N Spicy peanuts on a promotion you are running and suggested you show it to Danny.

Ray has also informed you that Danny is currently very busy preparing a new menu for the upcoming semester. He/She is focused on keeping the food assortment trendy so students will continue to purchase Riverland's full meal package instead of using a "pay as you go" option.

Given this information, you called Danny to set up a time to meet face-to-face to discuss the PLANTERS® Brand in more depth. In preparation for this meeting, you ordered a case of the PLANTERS® Dry Roasted Sweet 'N Spicy peanut that was sent to Danny for a taste test.

Danny has been at Riverland U for 10+ years and manages all food and beverage operations – including all student/staff meal halls, retail outlets and catering. He/she doesn't purchase items for campus vending machines. While Danny manages the entire food and beverage department, he/she hasn't put much thought into snacking/market pantry business.

As of now Danny is also responsible for developing the assortment of on-the-go snacks, catering options and menu assortment. He/she prides himself/herself on offering high quality food options, a diverse selection of flavor profiles and a wide assortment of menus for all eating occasions. He/she is always looking for ways to bring the most on-trend, healthy and satisfying food across all dayparts.



Your Goal: To sell Danny the 1.75oz PLANTERS® Dry Roasted Sweet 'N Spicy Peanuts tubes in their four grab 'n go market pantries at Riverland University. (See the attached photo for an example of one pantry.)

Other pertinent information:

- The current case price into UNFI: \$36.72/case
- UNFI marks up their items by 20% for this account
- Each case contains 6 display ready boxes, each box with 18 individual packages of 1.75-ounce tube nuts.
- Each tube is printed with \$.69 each or 2/\$1.09 on the package to drive multiple purchase
- PLANTERS® Dry Roast is a proprietary process unique to the brand

Sponsor and Case Background



Sponsor Background: Hormel Foodservice Sales

Hormel Foodservice is responsible for selling its vast portfolio of product to all “food away from home” operators--restaurants, hospitals and healthcare facilities, college and universities, hotels, caterers, military bases, and convenience stores. Included in this portfolio are Hormel® Bacon 1™, Austin Blues® smoked meat, Applegate® natural and organic meats, Happy Little Plants® plant-based proteins, SKIPPY® peanut butter and PLANTERS® snacks and nuts

The Hormel Foodservice division has a direct sales team, which means they work exclusively for Hormel and sell only its products. This is not the norm in the industry as most food manufacturers outsource their field sales to a broker, who sells on behalf of multiple manufacturers and represent many brands. The Hormel Foodservice direct sales approach is more costly, but highly effective at selling innovative product solutions, which are often a more complicated sales scenario at a higher price point.

Responsibilities. The Hormel Foodservice sales team is accountable for the sales and marketing of the entire Hormel product portfolio. They typically sell their products by the truckload to the assigned wholesale distributors in their territories, such as United Natural Foods, Inc.—UNFI, who then resell the items to their operators. Hormel sales reps are tasked with convincing both the distributor and the operator to stock and sell new innovative/on-trend products, and running sales promotions and marketing campaigns to help drive new business.

Sales Strategy. The key to success as a Hormel Foodservice sales representative is to drive new products through both the distributor sales reps (DSR) and the operators. The DSRs call on many end users each week and sell thousands of foodservice products including condiments, bakery, produce, paper supplies, equipment, coffee, bread, cleaning supplies, dishware, desserts, and protein products. Because a DSR may sell customers a wide variety of protein options from several manufacturers, for example, it can be challenging for a manufacturer's product to stand out among the competitors. For that reason, it is important that Hormel Foodservice sales representatives establish good relationships with their distributors and distributor sales team. To support that relationship, Hormel's marketing department also provides multiple tools to help educate the distributor and operator on sales trends, monetary incentives and promotional materials about the various brands and product lines.

Distributor sales reps are often the best source for large operator/end-user leads for Hormel Foodservice sales reps. The DSRs can give the Hormel rep guidance and prospect information which the Hormel sales rep can use when calling on the foodservice operators. Working together can benefit both the DSR and the Hormel sales rep—orders from large operatives create demand, which leverages new items into stock at the distributor that will have a large impact on sales growth within a territory.

The Sales Call. When calling on an operator, it is important to understand the operator's menu/current offerings, patron demographic, operational challenges, and the role of the key decision maker:

- Assortment & Patron: What is their current menu offerings? Using data/insights the operator currently has on hand, are there menu applications that might appeal to current patrons and/or attract new customers?
- Operation: Where do operators currently source their products? Do they have any labor challenges? What is the skill level of current employees?
- Decision Maker: Who is the decision maker(s)? What concerns do they have – labor shortages, price controls, guest satisfaction, product quality, competition, etc. In order to provide relevant product solutions, the Hormel sales rep needs to know the expectations and demands the decision maker is trying to meet or exceed.
- Competition: Who are the competitors, both direct and indirect?

The logo for Planters Brand features the word "PLANTERS" in large, bold, yellow, 3D-style block letters with a black outline. A registered trademark symbol (®) is located at the top right of the letter "S". Below the word "PLANTERS", the word "BRAND" is written in a smaller, black, sans-serif font, angled upwards from left to right.

Planters® Brand Snack Nuts

For over a century, PLANTERS® Peanuts has been the leading snack and nut brand. The company was founded in 1906 in Wilkes-Barre, Pennsylvania by Arnedeo Obici and Mario Peruzzi, who created a method that processed peanuts without shells, husks and skins, which made them easier to eat. Two years later, the company was incorporated as the Planters Nut and Chocolate Company. In 1916 the company ran a contest for a trademark and Mr. Peanut® was born. Over the years, Mr. Peanut® has become an American icon, helping to tell the PLANTERS® brand story and keep the promise of bringing 'Substance to Snacking'. He has been on the stages of Saturday Night Live, Macy's Day Parade floats, and even Super Bowl commercials.

In Spring 2021, Hormel Foods purchased PLANTERS® Brand Snack Nuts, and began representing the product portfolio, which now includes cashews, almonds, pistachios, and trail mix as well as peanuts. The acquisition capitalized on Hormel's strong position in the nut butter market with well-known brands SKIPPY® and Justin's®. The transaction also brought Hormel into the snacking business overall as the PLANTERS® business also included the Cheez Balls products and Corn Nuts® brand.

The goal of launching PLANTERS® brand items into foodservice is to use existing relationships with the distributors to drive new sales to the large operators.

There are not many branded snack nuts competitors in the industry that sell items across the entire country. Most of the PLANTERS® brand competitors in foodservice are regional nut purveyors with limited distribution or private label offerings.

PLANTERS® brand snack nuts have three main target audiences for their snacking portfolio items: on-the-go convenience, online e-commerce and traditional retail.

UNFI Company Overview



Overview

UNFI is North America's premier wholesaler serving approximately 30,000 unique customer locations through a network of 55 distribution centers and warehouses located across the United States and Canada. Through this network of approximately 29 million square feet of warehouse space, we offer more than 275,000 products consisting of national, regional and private label brands grouped into six product categories: grocery and general merchandise; produce; perishables and frozen foods; nutritional supplements and sports nutrition; bulk and food service products; and personal care items.

Headquartered in Providence, RI, UNFI has approximately 29,000 employees.

UNFI

Use the button to be directed to the UNFI website.

[UNFI](#)

UNFI Wholesale Distribution Business Overview

As a leading distributor of natural, organic, specialty, produce, and conventional grocery and non-food products, and provider of retailer services in the United States and Canada, UNFI is uniquely positioned to provide the broadest array of products and services to customers throughout North America. UNFI's customers include single and multiple store independent grocery store retailers, regional chains, foodservice and the military, many of which are long tenured customers.

While UNFI delivers the best products available at competitive prices, the company's merchandising teams work closely with manufacturers to develop and deliver comprehensive merchandising programs to UNFI customers. The purpose of these programs is to drive sales and profitability for the independent retail operators, UNFI and the manufacturer.

UNFI's Wholesale operations are organized through four U.S. geographic regions: Atlantic, South, Central and Pacific; each of which is led by separate region presidents responsible for product and service strategy, execution, and financial results; and Canada Wholesale which is operated separately from the U.S. Wholesale business. UNFI offer Wholesale customers a wide variety of food and non-food products, a broad array of professional services, and our own extensive lines of private label products.

Our private-label products include: the premium brand CULINARY CIRCLE[®], which offers premium quality products in highly competitive categories; WILD HARVEST[®] and Field Day[®], which include organic, non-GMO and items free from over 140 undesirable ingredients; core brands ESSENTIAL EVERYDAY[®], EQUALINE[®], SPRINGFIELD[®], and category-specific brands ARCTIC SHORES SEAFOOD COMPANY[®], BABY BASICS[®], STONE RIDGE CREAMERY[®] and SUPER CHILL[®], which provide national brand equivalent products at a competitive price; and the value brand SHOPPERS VALUE[®], which offers the budget conscious consumer quality alternatives to national brands at substantial savings.