



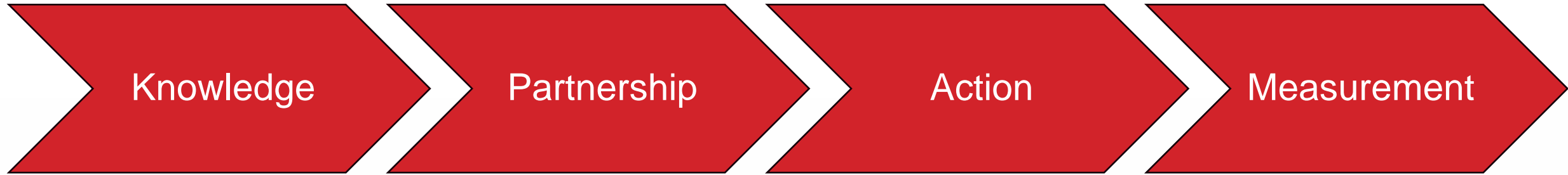
Live Conversation Series

Best Practices for Building Long-Term Restaurant Chain Customers

IFMA

June 8, 2023

Best Practice: Restaurant Chain Partnership



1. Chain Size (S/M/L)
2. Franchise Mix
3. Decision-making
4. Distribution
5. LTO usage
6. Menu changes
7. Product mix



New

1. Complete OCM Scorecard
2. Agree on OCM Relationship Pyramid
3. Complete OCM Support Matrix



Leverage OCM

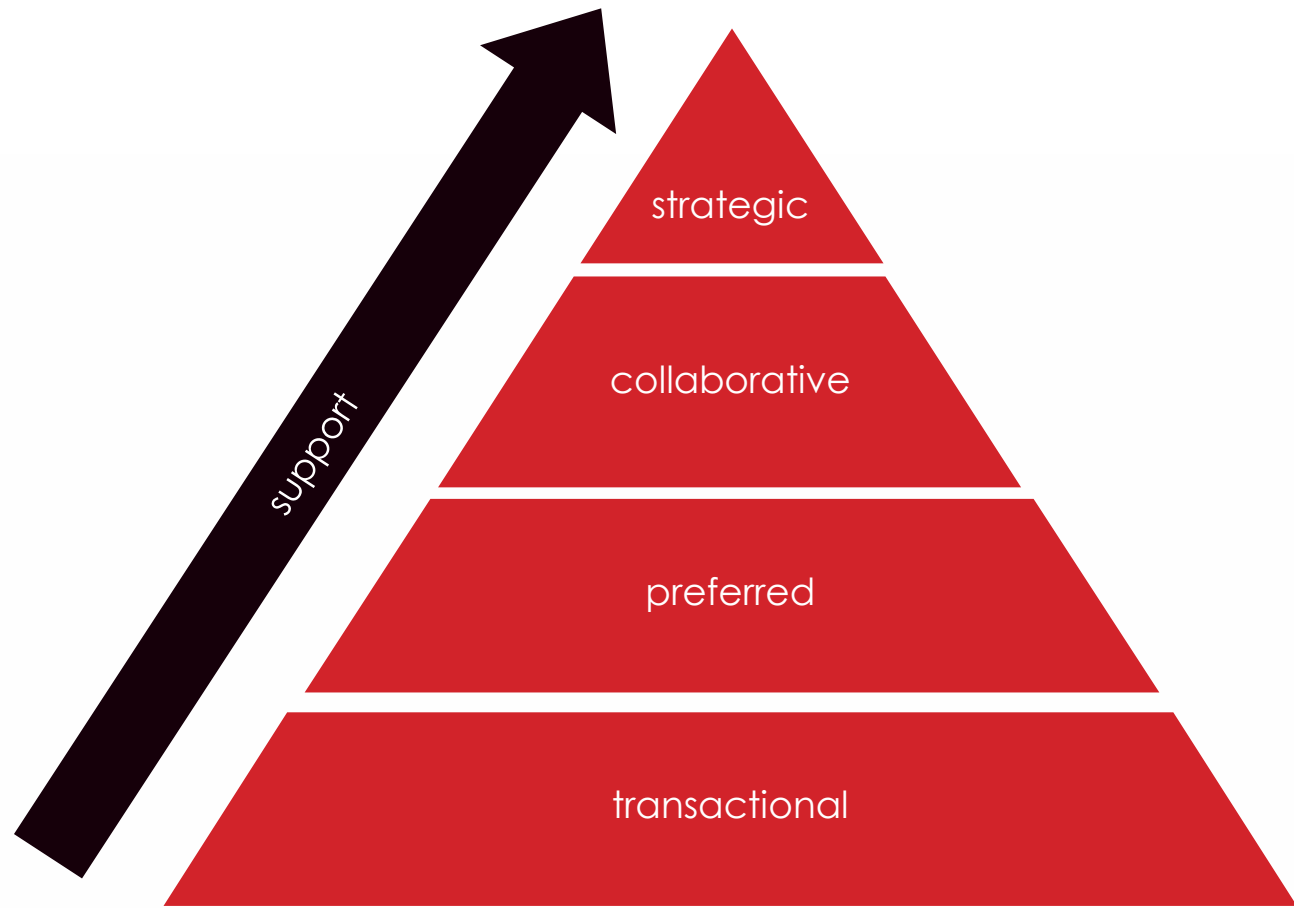
OCM = Operator Collaboration Model

1. 12-18 month calendar of activities
2. RACI for each activity
3. Distribution plan
4. Regular check-in meetings
5. Set KPIs



Leverage JBP

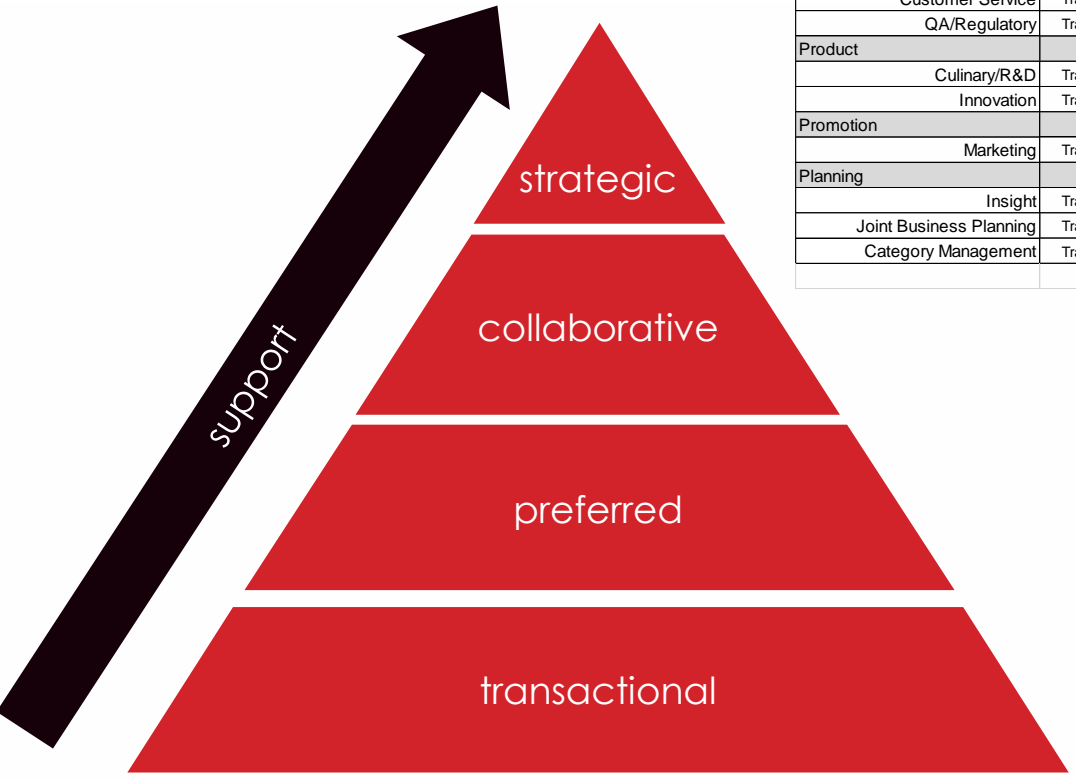
1. Financial KPIs
2. Execution KPIs
3. Best Practices
4. Areas for Improvement



	TRANSACTIONAL	PREFERRED	COLLABORATIVE	STRATEGIC
	Operational Enabler, Seasonal/LTO or Core	Operational Enabler, Seasonal/LTO, Core or Differentiator	Operational Enabler, Seasonal/LTO, Core or Differentiator	Core and Differentiator
PRICE	Partnership			
	Standard price contract	Customized price contract	Customized contract, some degree of cost transparency	Customized contract, higher level of cost transparency
Risk Management	None	Commodities buying programs	Customized Commodities buying strategy	Commodity risk management/procurement strategy, shared risk
PLACE				
Assured Supply	Meet standard logistical and billing needs (fill rates, damage, shelf life)	Higher than average fill rates	Some supply chain integration and programming	Custom supply chain support, programs and integration
Customer Service	Meets basic requirements	Provides some additional support (e.g. ability to drop ship)	Multiple levels of contact across functional areas	Dedicated support contacts, multiple contacts across functional areas
QA/Regulatory	Meets basic requirements	Provides some additional support	Shared insights, dedicated resources, transparency in data	Strategic planning and investment on QA and regulatory initiatives/management
PRODUCT				
Culinary/R&D	None	Some culinary or technical advice	High level of customized support and first-in access to new technology	Committed culinary/R&D development resource, joint menu development
Innovation	Off-the-shelf SKU	Can meet operator specifications and supply custom formula product	Provides custom collaborative product development, category lead in innovation	Collaborative Innovation strategy and pipeline development, preferred access to new technology
PROMOTION				
Marketing	None	Promotion/merchandising funding	Joint marketing and promotion development, higher level of funding support	Agency collaboration, branding to the patron, joint advertising, LTO strategy
PLANNING				
Insight	High level category insights, basic/intuitive supported by internal sales data	Syndicated data sources (CREST, MenuTrends, IRI) + some primary insights	Proprietary research including needs assessment research, operator/consumer concept testing, pricing studies	Proprietary research conducted in partnership with operator on category strategy and growth initiatives
Joint Business Planning	None	Some planning on commodities buying, logistics strategy, annual business reviews	Joint business planning across product, logistics and procurement areas	Integrated bus planning, regular business reviews, C-level engagement and alignment
Category Management	None	Some suggestions category improvement opportunities	Category leadership role on insight and product development	Category "Captain" support, Collaborative Category Growth strategy



Partnership



MANUFACTURER'S SCORECARD				
Account: Xx		A	B	AxB
Account Criteria	Account Support Evaluation Guide	Score	Weighting (1-3)	Total
Metrics				
Volume	<xlb = 1, \$x-ylbs = 2, >\$ylbs = 3		2	0
Revenue	<\$x = 1, \$x-y = 2, >\$y = 3		2	0
Margin Rate/lb	<\$x/lb = 1, \$x-y/lb% = 2, >\$y/lb = 3		3	0
Volume Growth Rate	<x5 = 1, x-y% = 2, >y% = 3		2	0
Operator's Sales Growth Rate	<x5 = 1, x-y% = 2, >y% = 4		1	0
Strategic Value				
Mfr'g Scale / Brand Ubiquity	None = 0, Low = 1, Med = 2, High = 3		3	0
Price				
Pricing	Trans = 1, Pref = 2, Coll = 3, Strategic = 4		3	0
Risk Management	Trans = 1, Pref = 2, Coll = 3, Strategic = 4		1	0
Place				
Assured Supply	Trans = 1, Pref = 2, Coll = 3, Strategic = 4		1	0
Customer Service	Trans = 1, Pref = 2, Coll = 3, Strategic = 4		1	0
QA/Regulatory	Trans = 1, Pref = 2, Coll = 3, Strategic = 4		1	0
Product				
Culinary/R&D	Trans = 1, Pref = 2, Coll = 3, Strategic = 4		3	0
Innovation	Trans = 1, Pref = 2, Coll = 3, Strategic = 4		3	0
Promotion				
Marketing	Trans = 1, Pref = 2, Coll = 3, Strategic = 4		1	0
Planning				
Insight	Trans = 1, Pref = 2, Coll = 3, Strategic = 4		2	0
Joint Business Planning	Trans = 1, Pref = 2, Coll = 3, Strategic = 4		2	0
Category Management	Trans = 1, Pref = 2, Coll = 3, Strategic = 4		3	0



Relationship-Type Grid	
	Range
Strategic	100-123
Collaborative	70-99
Preferred	35-69
Transactional	< 35

OPERATOR'S SCORECARD				
Supplier: Xx		A	B	AxB
Supplier Criteria	Supplier Evaluation Guide	Score	Weighting (1-3)	Total
Metrics				
Purchase \$/annually	<\$x = 1, \$x-y = 2, >\$y = 3		2	0
% of Category supplied	<50% = 1, 50-79% = 2, 80-100% = 3		3	0
Price				
Pricing	Trans = 1, Pref = 2, Coll = 3, Strategic = 4		3	0
Risk Management	Trans = 1, Pref = 2, Coll = 3, Strategic = 4		1	0
Place				
Assured Supply	Trans = 1, Pref = 2, Coll = 3, Strategic = 4		1	0
Customer Service	Trans = 1, Pref = 2, Coll = 3, Strategic = 4		1	0
QA/Regulatory	Trans = 1, Pref = 2, Coll = 3, Strategic = 4		1	0
Product				
Culinary/R&D	Trans = 1, Pref = 2, Coll = 3, Strategic = 4		3	0
Innovation	Trans = 1, Pref = 2, Coll = 3, Strategic = 4		3	0
Promotion				
Marketing	Trans = 1, Pref = 2, Coll = 3, Strategic = 4		1	0
Planning				
Insight	Trans = 1, Pref = 2, Coll = 3, Strategic = 4		2	0
Joint Business Planning	Trans = 1, Pref = 2, Coll = 3, Strategic = 4		2	0
Category Management	Trans = 1, Pref = 2, Coll = 3, Strategic = 4		3	0
TOTAL				0



Relationship-Type Grid	
	Range
Strategic	80-99
Collaborative	55-79
Preferred	30-54
Transactional	< 30

