

## A New Food World Order Is Born



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There is no doubt a new food distribution channel has been born. For too long, the word on the street has been the traditional distribution channels - retail and foodservice - are blurring. Perhaps it is time to re-route the conversation and declare those vertical channels are blending. Actually, they have converged to spawn a new channel, one approaching an estimated \$100 billion in sales and expected to continue growing.

Expanding cultural diversity and the power of social media are driving new notions of what people eat, when they eat, and where they eat, changing the rules of food marketing forever. Retail Foodservice is officially a "pull" vertical channel. Consumers with social media power have basically created their own crowd-sourced advertising agency.

They speak directly to the manufacturers and operators, side-stepping the dated "link-to-link" whispers down the supply chains of the long-established "push" verticals that dictated shoppers' food choices. This newcomer really listens to an energized marketplace, now intermingled with millennials, boomers, and super seniors.

Retail Foodservice fuels a more efficient and more productive means to satisfy consumers on the move, watchful for new and exciting meal and menu options in customary venues as well as locales unimagined a decade ago. This horizontal integration spans multiple supply chains and consumer touch points creating uncertainties among supply chain participants as to how to navigate this new food world order.

The cross-channel influence of Retail Foodservice has attracted not only scrutiny, but amplified the need for creative go-to-market thinking and flexible execution. Its "food effect" has realigned two food worlds as no other, commanding attention throughout both supply chains. It is here and it is here to stay.

Retail Foodservice's go-to-market application requires communications between the established vertical channels in order to establish its own unique supply and production standards. It is analogous to the auto industry building gasoline powered cars and electric cars in their respective production channels without horizontal communications between them to uncover an alternative solution more akin to consumers' desires. Welcome hybrids! Today, Retail Foodservice is consumers' hybrid for food choices.

From boardrooms to kitchen tables, if manufacturers and suppliers within the chain recognize this new "pull" driven power channel and acknowledge consumers as constantly on the move, then identify their targets, they will be able to define who owns Retail Foodservice, gaining a competitive point of difference in the process. This is consumer lifestyle marketing at its best. Today, you must identify, profile, and target "one-to-one," then to the masses.

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