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Deep Dive on Emerging E-Commerce Platforms (Cut+Dry, Pepper) #12731

Primary Objective

To assess how emerging digital distributor platforms (such as Cut+Dry and Pepper) are influencing the operator–distributor relationship, particularly among independent restaurants and small chains. This research will equip sponsors with insights on how these platforms impact distributor sales rep dynamics, operator purchasing behavior, and ultimately how manufacturers can best engage with operators in a changing landscape.

It will also benchmark emerging third-party platforms (e.g., Cut+Dry, Pepper) against major broadliner e-commerce systems (e.g., Sysco, US Foods, GFS, Dot) to understand differences in user experience, adoption, and integration into the operator workflow.

Strategic Investigation Areas

- **Benchmarking Against Peers**: How far along is a sponsor company compared to its peers? How does adoption differ by category (e.g., proteins vs. disposables vs. center-of-plate)?
- **DSR Role Evolution:** How are platforms like Cut+Dry and Pepper reshaping the role of distributor sales reps? Are they still the primary point of influence, or more of a reference resource?
- **Independent Operator Adoption:** Are these platforms gaining traction among independent restaurants and small chains? What motivates adoption versus resistance?
- **Impact on Purchasing Behavior:** Do operators purchase differently through e-commerce platforms (e.g., order size, frequency, product mix)?
- **Manufacturer Access:** How does this shift affect how manufacturers like can communicate with and influence operators who may be further removed from traditional DSR interaction?
- **Trust and Relationships:** Does digital ordering enhance or weaken the relationship between operators, distributors, and manufacturers?
- **Competitive Dynamics:** How do platforms position themselves relative to distributor ordering portals (Sysco, US Foods, regional distributors)? Are they complementary or disruptive?
- **Broadliner vs. 3P Comparison**: How do operator experiences differ between traditional distributor portals (Sysco, US Foods, GFS, Dot) and third-party platforms (Cut+Dry, Pepper)? What are the relative advantages, friction points, and preferred use cases from an operator's perspective?
- **Future Outlook:** What is the likely pace of adoption, and how might this influence the broader foodservice distribution model?

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Key Issues by Stakeholder Group (Preliminary)

Operators

Objective: Understand how digital ordering is changing purchasing behavior, distributor relationships, and brand visibility.

- How are you currently placing orders—with sales reps, online portals, or digital platforms like Pepper/Cut+Dry/Choco/Instacart? (capture multi-channel usage & cross-usage)
- Which platforms do you use concurrently, and why? Rate satisfaction with each (broadliner portals vs Pepper/Cut+Dry vs Instacart).
- What benefits do you experience from digital ordering (speed, accuracy, transparency)?
- What challenges or frustrations exist (technical issues, pricing, loss of personal contact)?
- How has digital ordering changed your interaction with distributor sales reps (DSRs)? Where does the “saved time” show up (solution selling, menu help, or admin drag)?
- Have you discovered or purchased new items through search/promo? Distinguish reorder vs new item; what enables trial (samples, deep discounts, education/landing pages)?
- Walk us through your last order (screen-share/journey mapping): search terms used, filters, brand pages vs generic pages, “people also bought”/recommendations you saw.
- What most influences choice inside the app: price, availability, value deals, brand familiarity, images, spec sheets, naming conventions/search results?
- Which product categories are most influenced by digital ordering (frozen, beverages, disposables, etc.)? Any categories you won’t try digitally first?
- Who actually places the order (owner/chef/purchasing)? Any age/digital-nativity differences (Gen Z/Millennial vs veterans)?
- What would make you use digital platforms more often in the future? What platform features or distributor support would close the loop on conversion (samples, content, training)?

2) Distributors (Regional, Broadline, Specialty)

Objective: Learn how distributors are adopting digital tools, managing operator engagement, and coordinating with manufacturers.

- What motivated you to adopt—or delay adopting—a platform (Pepper/Cut+Dry/Choco)? Two-year adoption goals/roadmap?
- What percentage of orders now come through digital channels (trend last 12–24 months)?
- How have operators responded to digital ordering (by segment/size/age)?
- How has digital adoption changed the DSR role/responsibilities? Are you reallocating work to solution selling/menu help—or considering salesforce resizing over time?
- What challenges exist in maintaining accurate digital catalogs (pricing, data, photos)? Search relevance & naming conventions (e.g., “fries/potatoes”) pain points?

- How do manufacturers support—or hinder—your digital efforts? Expectations for manufacturer participation (is "active on platform" becoming table stakes in contracts)?
- Trade-spend governance: how do you avoid double-dipping across deviations, buying groups (UniPro, Golbon, Frosty Acres), and platform promos?
- Economics: What benefits are you seeing (labor savings, reduced waste/errors, top-line growth, mix improvement)? Are platform-media/promo packages incremental revenue?
- How do you see digital ordering affecting competitiveness vs Sysco/US Foods/PFG? View on big-three building/buying competing tech.
- Sampling at scale: what works/doesn't (cost, execution, ROI by temperature state); have you paused any programs (and why)?

3) Digital Platform Companies (Pepper, Cut+Dry, Choco, etc.)

Objective: Understand each platform's positioning, reach, and relationship with distributors, operators, and manufacturers.

- How would you describe your core mission, target users, and key use cases?
- How many distributors/operators use your system? Which segments/categories are growing fastest?
- What challenges have you faced driving adoption among distributors/operators?
- How can manufacturers best engage to enhance visibility or promotions? What "gold standards" for content (images, attributes, naming/search taxonomy, brand pages)?
- How do you manage data sharing among distributors/operators/manufacturers?
- How is the DSR role evolving as ordering becomes digital?
- Product roadmap: recommendations/"people also bought," cross-sell/upsell, multi-category adjacencies, brand-page storytelling, analytics for impressions/awareness (GRP-like analogs).
- Policies on category exclusivity/captaincy (past vs current stance); how do you handle competing brands and promotions today?
- Sampling programs: execution models, costs, fulfillment, and measured ROI; category differences (frozen vs ambient).
- What do you see as the biggest opportunity or disruption over the next three years?

4) Manufacturers (Study Sponsors / FSIP Clients)

Objective: Clarify how manufacturers can adapt to and capitalize on the digital transformation of foodservice distribution.

- How visible are your products within digital distributor platforms today? How do you measure impressions/consideration and link to conversion (inside and outside platform)?
- How are you supporting distributors to ensure SKUs are accurate and discoverable online (attributes, images, naming conventions/search terms)?
- What data/insights would help you understand operator behavior in digital environments (journey mapping, cross-usage, reorder vs new-item trial, promo/sampling ROI)?

- How do digital platforms fit within your overall sales/marketing strategy (big-three portals vs independents/regionals; platform media vs traditional trade programs)?
- What are your biggest challenges with regional or digital-first distributors (content ops, pricing sync, promo governance, double-dip risk, buying-group overlaps)?
- Expectations you hear from distributors: is “active digital participation” a gating factor in contracts/renewals?
- Category strategy: where does your category lead/lag in digital adoption (e.g., frozen fries), and what cross-sell/partnerships move mix?
- How can FSIP’s Digital Supply Chain study best inform your 2026 planning?
- What future capabilities (data pipes, retail-style media, joint roadmaps, sampling logistics) will be most valuable?

Proposed Approach

1. Immersion and Kickoff

Foodservice IP will meet with each sponsor to receive their “wish” list and gather as much information on the segments, products and key questions required. The fieldwork will reflect these needs. Proprietary requests are also discussed at this point and a formal timeline is issued.

2. Secondary Research Deep Dive

Review of publicly available material, trade press, company websites, and industry commentary on Cut+Dry, Choco, Pepper, and similar platforms. Assessment of adoption patterns, funding/scale, and positioning relative to traditional distributor portals.

3. Survey Development

Design of a structured discussion guide targeting operators outside the Top 100 chains, tailored to the key issues above and sponsor priorities. Guide will include areas such as usage experience, ordering patterns, impact on supplier relationships, and openness to manufacturer engagement. Sponsors will have full control to add as many questions it deems important.

4. Primary Research

- Conduct **200 operator surveys** (independent restaurants and small chains, others as determined by sponsors) who use these platforms or are evaluating them. Capture qualitative insights on operator behaviors, perceptions, and future intentions
- 15 Manufacturer Interviews: Mid-size and category-diverse suppliers involved in or evaluating these platforms. Explore stages of adoption and lessons learned.
- 15–20 Distributor Interviews: Regional and national distributor reps—including Sysco, US Foods, GFS, and Dot—to assess platform positioning, operator adoption, and impact on sales roles..
- Interviews with digital platform companies.

5. Deliverables

- A comprehensive report (PowerPoint + executive summary) synthesizing secondary and primary findings.
- Platform Scorecards: Side-by-side evaluations of Cut+Dry, Pepper, and emerging players on reach, functionality, and ROI.
- Strategic implications and recommendations for each sponsor.

Timing and Fees

- Estimated project duration: 10-12 weeks from initiation.
- Target launch: Late 4Q 2025, delivery late 1Q 2026, early 2Q 2026.
- Pre-launch sponsors will join a steering committee to help shape study objectives.
- $15,000 per study (per sponsor), exclusive of travel for private presentations.
- Discounted multi-study participation: two studies for $26,500 or three studies for $35,000, when confirmed in advance or together with the first sponsorship.
- **Foodservice IP can invoice the first half in Jan. 2026.