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# Are You Making Mistakes As A Supplier When Selling To The Big 4 UK Supermarkets?

Discover how to avoid all these mistakes  
and increase your sales and profit

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## Are You Making Mistakes As A Supplier When Selling To The Big 4 UK Supermarkets?



### Introduction

Hi, my name is Darren A. Smith, Founder of Making Business Matter – A Training Provider.

If you are like most Sales Directors, Marketing Directors and Account Managers, you'll be charged with sales growth for your business & frustrated by many of your interactions with the big 4 UK Supermarkets, and keen to do the right things for yourself, your business & your Buyer.

Many Suppliers struggle with the challenges of negotiations being escalated, selling category opportunities, and getting the Buyer to do what has been agreed.

In this Guide there are 8 mistakes that Suppliers make when dealing with the big 4 UK Supermarkets, the consequences of those mistakes and how to avoid them.

**Making Business Matter (MBM)** is a training provider to the UK grocery industry specialising in suppliers to the big 4 Supermarkets. Our clients want to secure more profitable wins with their Supermarket. The reason they choose us is because of our combination of relevant experience and unique training method we call 'Sticky Learning®'.

This Guide has been written based on having been a Trading Manager/Category Manager for 12 years for one of the big 4 UK Supermarkets, and then working with Suppliers on People Development for the last 13 years. In that time I have had successes, failures, seen people win, seen people lose, and all of this from both sides of the fence.

I hope you find this Guide useful and I wish you every success.

Darren A. Smith  
Founder  
Making Business Matter





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From the Home of  
Sticky Learning





## 1. Escalating Negotiations to the Sales Director

### The Mistake

In over 1,000 negotiations with Key Account Managers, those negotiations that mattered were escalated. Escalated for 1, or all, of these 5 reasons:

- The Account Manager and the Sales Director had not agreed the boundaries for the Account Manager to negotiate within.
- This was how they'd always done things. 'Big' negotiations were raised up the chain.
- The Account Manager did not want the responsibility of possibly 'cocking it up'.
- The Sales Director lacked faith in the Account Manager to get a good result.
- There was confidence in numbers, so they decided to negotiate as a team.

### The Consequences

For the Buyer, the messages were that by dealing with the Sales Director you could either get a better deal. Or that the Sales Director had no faith in the Account Manager (So why was I dealing with him/her anyway?!). Or the Account Manager did not have what it took to run a £xm account. Either way, the messages were negative.

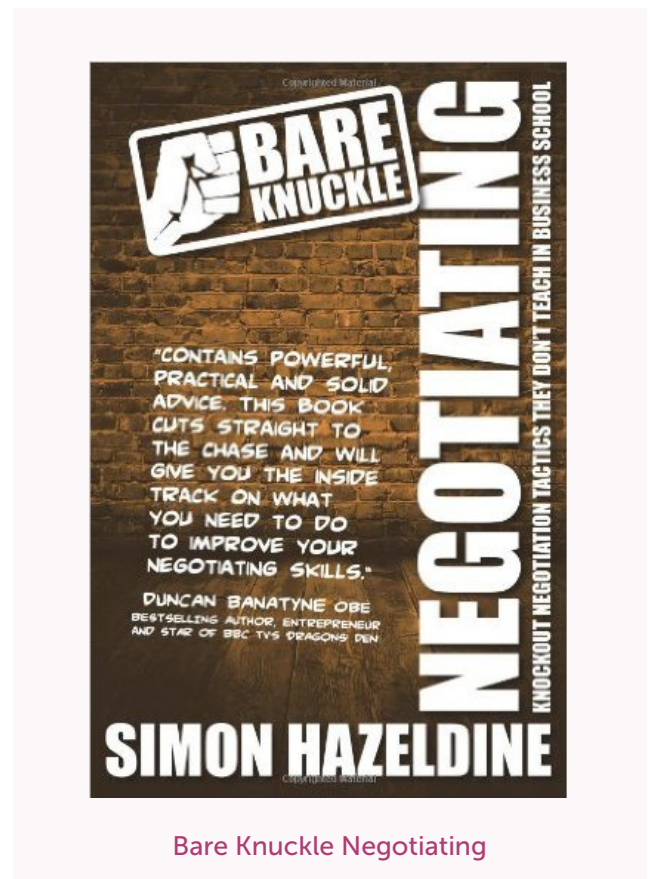
### How to Avoid

Supermarket Buyers are trained in negotiation to within 'an inch of their lives' because this is what they do – Negotiate. Account Managers are trained less so, unless they work for the larger branded companies. The simplest and one of the most effective negotiating tools is, 'If you..., then I...'. In this **1-minute video** you can hear how to use this tool.

We've all heard of empowerment, yet the Account Managers seem not to be. Agree the boundaries for the negotiation, with your Line Manager, before you begin. Plus, discuss what you will do to avoid the next negotiation being escalated.

This book is highly recommended because it will help Account Managers to understand practical Negotiation Skills. Whether they are new and need to learn the basics, or more experienced, and need refreshing on how to negotiate effectively.

Each Learner, on our **Negotiation Skills training course**, receives this book as 'own time activity' and also hears Simon Hazeldine talk about his top 7 practical tips on negotiating. This programme is 6 months of 6 days, with own time activities in between because **one day training programmes have a limited effect**.



Bare Knuckle Negotiating

## 2. Presenting Undeliverable Category Opportunities

### The Mistake

Buyers often see Account Managers, Category Managers and Sales Directors present a deck of slides that identify category opportunities that are just too woolly. Opportunities which show that one Supermarket's sub category market share is lower than a competitor's market share, with the recommendation to increase the sku count. Knowing that the sku count cannot be increased. Or that a competitor promotes more, and that whilst it contravenes corporate guidelines to promote more, the recommendation is to do so.

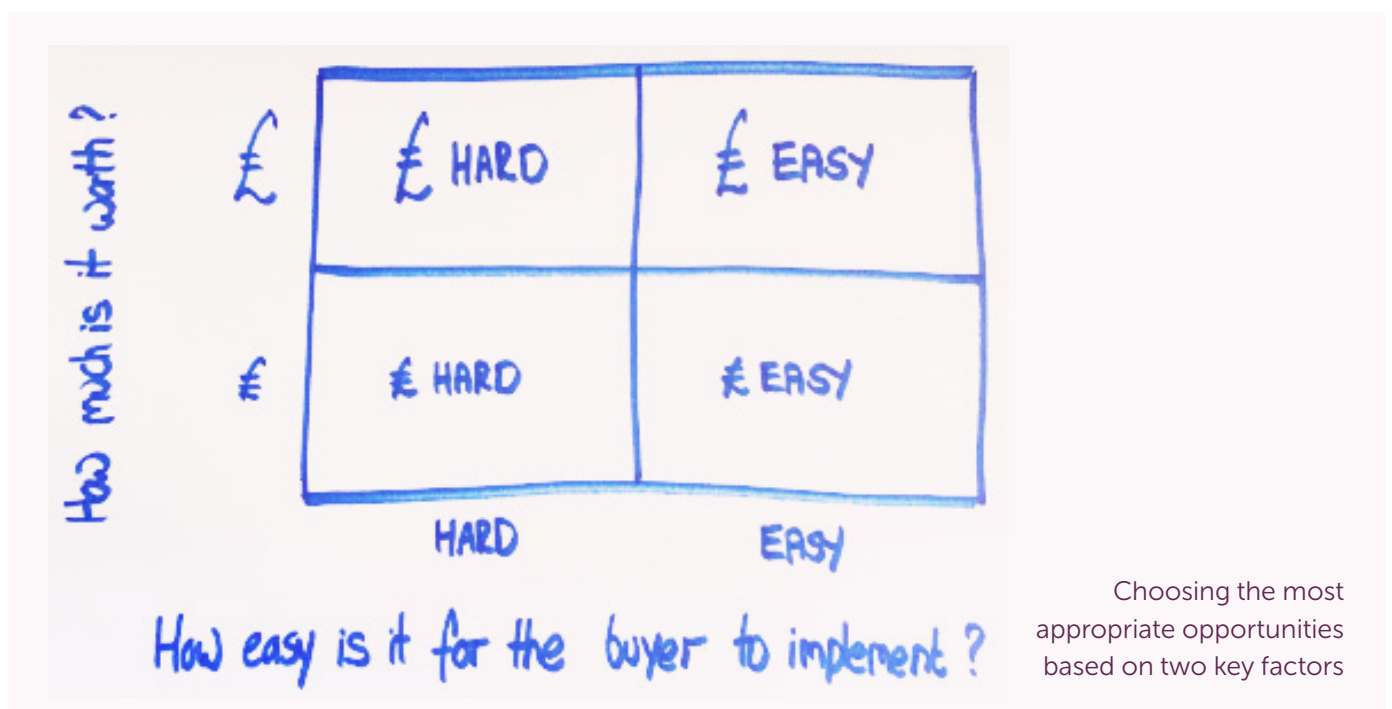
### The Consequences

A frustrated Buyer, struggling to take in the huge amount of data and effort that has led to the conclusion, now paralysed by a problem with no solution and a lot of thinking required to go get the answer. A supplier frustrated by the lack of delivery by the Buyer chases the Buyer continually and then eventually gives up, residing themselves to the fact that the Buyer is 'too busy'.

### How to Avoid

Presenting fewer opportunities, better thought through, with recommendations that can be implemented, and are within the Buyer's gift, will make more of a difference. Better to land 1 opportunity, albeit smaller, and gain trust, than to present 3 opportunities that are less likely to land and cause frustration in the relationship.

You know your Buyer. Before **presenting opportunities** to the Buyer plot each opportunity on a simple Boston Matrix. Knowing how much the Buyer is motivated by money and how able they are to 'knock down walls' internally to get things done - then choose the most appropriate opportunities.



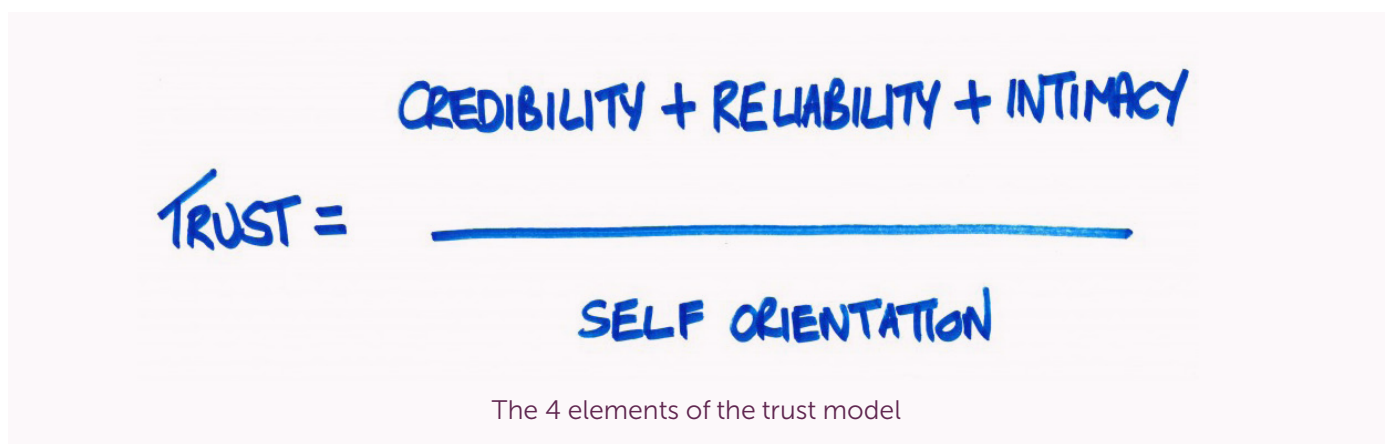


## 3. Not Working Hard to Gain Trust with Your Buyer

### The Mistake

Trust is the all-important 'door opener', the thing that 'enables things to get done', and the key to unlocking business from one person to another. Trust is that grey area which we can neither touch nor discuss, but we know when we trust someone and when we do not. And then we'll do more for the former and next to nothing for the latter.

Trust can now be understood better than ever before. There is a **trust formula**. A formula of 4 elements that helps us to understand why we choose to trust one person and not another. The formula is:



- Credibility: They know their stuff.
- Reliability: They always delivers on time.
- Intimacy: We know a bit about each other.
- Self-Orientation: I talk a lot about myself.

Think about someone who you don't trust - I bet you can identify one element from the trust equation that they fail to deliver.

### The Consequences

If your Buyer doesn't trust you the consequences are huge. Your promotional plan will not be accepted. New products will not be liked. Category recommendations will be prioritised lower than another supplier. And so on.

### How to Avoid

Understand the trust formula. Identify which element/s are where you and your team are weakest. Then progress to fix them. For examples:

- Credibility: If it's the shopper you keep getting caught-out on, research.
- Reliability: If you don't deliver on what you said you would, do.
- Intimacy: If you know nothing about the Buyer, research and ask.
- Self-Orientation: If you always talk about you, don't.



## 4. Lacking Influence with Your Buyer

### The Mistake

Influence is something we all need in order to get anything done. Without influence, that is more than just 'badge influence' – 'I am the Director, therefore...'; - You will struggle to get anyone to do anything beyond what is in his or her job description.

Influencing is a close bedfellow of negotiation. Influencing is used to negotiate a better deal for you. Influencing, in its own right, can be used to persuade a Buyer to come to the factory for a visit, meet with your colleague to discuss NPD, or engage with a half-day about Category Planning.

### The Consequences

Supplier Sales and Marketing teams that fail to influence their Buyer will lose business.

### How to Avoid

- Do your team know the different **influencing styles** that exist?
- How much do they use the different influencing styles?
- How aware are your team of their words, tone, and body language?

'iRascal' - Understanding the **7 types of persuasion** will help someone to be more influential by knowing that there are different ways to persuade and the challenge is then to know which one to select.





## 5. Not Holding the Buyer to Account

### The Mistake

Buyers have Supplier meetings all day long. Some are prepared for, most are not. The mistake many Suppliers make is not capturing the actions that were agreed. The Supplier can either leave the meeting frustrated, beaten, or elated, and even for those meetings that are great they should not expect the Buyer to know, remember, or deliver on any, or some of what they has been agreed.

### The Consequences

Progress is slow. People become frustrated. Chasing becomes the name of the game.

### How to Avoid

Whilst it sounds boring, old school, and not newsworthy – Write the actions down.

Most of the meetings I see and hear about fail because no one wrote down what was agreed, let alone took a few minutes to go through what was agreed at the end of the meeting, or emailed what was agreed.

There are two options to avoid these mistakes:

1. A piece of paper of 3 columns; What, When and Who. This is because a meeting normally agrees the what, then they find someone at the meeting to do it, and then that person says when they can do it by.
2. Open your laptop and capture the actions as they are agreed. When the actions are emailed they should be 'flipped'. This is done by always showing the person's name at the start of the action because in the West we read left to right and never use 'all' because people look for their name. For example:

'DAS...Book another meeting with MJ to discuss the ABC Report...By 12-07-16'

NOT

'All...Get together to identify opportunities in the category...By 12-07-16'

The latter action is also known as a '**woolly mammoth**' that will never get done because it is too big and too horrible.

Book a call with the Buyer at the same meeting for 2 weeks hence to go through the actions to assess progress.



Image courtesy of Mike Flanagan





## 6. Not Preparing the Buyer for the Meeting

### The Mistake

In over 1,000 supplier meetings I received a handful of agendas before the meeting. Most agendas were nicely printed on headed paper and handed to me at the start of the meeting. The problem this brings is that Buyers are not known for their preparation skills prior to a Supplier meeting and by not having an agenda before the meeting, they have every excuse not to prepare.

I do not mean agendas of old. Agendas for meetings used to say things like:

1. Introductions
2. Pack size
3. Range
4. Promotions
5. Availability

### The Consequences

No preparation happens from the Buyer, which means that they sit through a deck of slides, almost surprised by what they are going through and almost get thwacked by the question at the end of, 'What do you think? The Buyer either then says one of 3 things; 'I'll come back to you' – Supplier leaves deflated, or 'That was great! Let's ...' – Supplier pleasantly surprised, or 'I'll get back to you.' – Meeting the supplier's low expectations.

### How to Avoid

The Agenda above serves no purpose at all, except for someone to have a reminder of what they were going to go through. An agenda that serves the purpose of enabling the Buyer to prepare for the meeting could look like:

1. Introductions
2. Pack size;
  - a. We need to reach a decision on sku 123 quality problem delivered into Cobham on Friday last week. See email of 12-10-15.
3. Range
  - a. Review of the previous range review. See attached chart showing xyz to discuss.
  - b. Upcoming Range Review. Thoughts attached on execution to discuss.
4. Promotions
  - a. Promotional Plan attached for the next 12 months.
5. Availability
  - a. Problem with weeks 4,5, and 6. To explore why. Conversation on the phone last week.

**agenda**

[uh-jen-duh]

Spell  Syllables

[Examples](#) [Word Origin](#)

**NOUN**, formally a plural of, **agendum** but usually used as a singular with plural, **agendas** or **agenda**.

1. a list, plan, outline, or the like, of things to be done, matters to be acted or voted upon, etc.:  
*The chairman says we have a lengthy agenda this afternoon.*

## 7. Having Poor Clarity on Email

### The Mistake

Like many people nowadays emails are the main way to communicate. Research suggests that we are becoming more and more trapped by email, slavishly trying to **stop the email monster** from growing and us losing the fight.

One of the ways that we feed the email monster is with unclear emails. A Buyer may send an email that is unclear. We can only deal with what is in our control. Emailing the Buyer. Our emails need to have complete clarity.

### The Consequences

Not only do emails with poor clarity feed the email monster but they also cause frustration and can make tempers flare – **Leading to emailing in anger**. This is because we know that our communication is formed by the words we use, the tone we add, and the body language that supports the message. Email removes a large chunk. Therefore it is imperative that we are absolutely clear what we are trying to say.

### How to Avoid

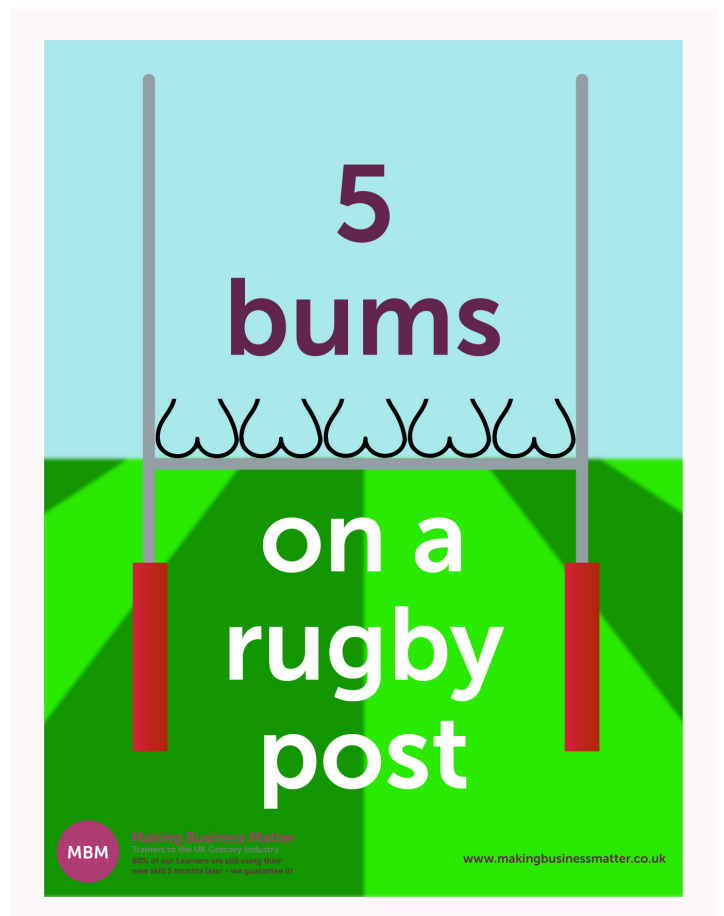
There are a few simple tools that we can use to test whether we are being clear with our message on email:

#### Tool 1

‘Five bums on a goal post’ – This is the mnemonic phrase used to help us remember; When, Where, Why, Which, Who and How. A simple checklist to go through as we write an email that asks us, ‘Have we said **When** to have this back by?’, ‘Have we said **How** to do the 123?’, ‘Have we included **Why** we need this done?’, etc.

#### Tool 2

Aristotle, the Greek philosopher, was credited with the phrase, ‘Tell them what you’re going to tell them, tell them, and tell them what you have told them’. This is useful because we can use the subject heading for so much more than, for example ‘Cheese’. Think newspaper headline and trying to get ‘cut through’ in amongst the other 1,000 emails. Most of which are read on a mobile device going from one meeting to another. At the start of the email tell them what you are going to ask for and then again at the end of the email, because if you are not very clear on what you want, the reply won’t be clear either.





## 8. Not Selling to the 'Whole Buyer'

### The Mistake

At MBM we have been using the HBDI model for over a decade. Similar to Myers-Briggs, Thomas International, or other psychometric tests you may have heard of, HBDI helps us understand ourselves and others better.

The mistake many Sellers make is that they sell to people in the way that they want to be sold to. For example, looking at the HBDI model below someone with a preference for the blue quadrant prefers facts. Think 'pub quiz' and a mate who always seems to know the answers (facts). The Seller would create a presentation full of numbers and graphs. The receiver (Buyer) might be a red, who is more concerned about the impact on the Shopper, the Staff in-store and needs to touch the solution.

### The Consequences

Two people trying to reach a conclusion but one is talking Dutch and the other French! The sales person fails, not because the ideas are poor, but because they tried to sell the ideas in the wrong language.

### How to Avoid

As the guys at HBDI say, 'Sell to the Whole Brain'. By selling to the whole brain all preferences are catered for and then when the Seller starts to recognise which colour they are selling to, they can adapt their 'sell', and then the magic happens!

- **Blue Quadrant** – Facts; Include the facts that support the sell. This quadrant is probably the most overused in the UK Grocery Industry at present.
- **Green Quadrant** – Form; Include a plan of what happens when. Probably in an excel format. Month by month.
- **Red Quadrant** – Feeling; Show the impact on the people. If products are involved or equipment, bring the product to be held.
- **Yellow Quadrant** – Future; A presentation that focuses on what the 'end game' will look like and the impact on the bigger picture. For example, the category impact and the 12-month performance.



When you have finished creating your presentation, ask yourself – 'How does this appeal to all 4 colours?'

We have been using the HBDI tool for over a decade to help Directors to build their **teams on team building days**. The advantages of HBDI is that it helps people to understand themselves better, other people better, and provide a perspective on why people do what they do.



## Are You Making Mistakes As A Supplier When Selling To The Big 4 UK Supermarkets?

### What Next?

I hope that you have found this Guide useful and that you use some, or all of the guidance to help you secure more profitable wins with your Supermarket and avoid some of the mistakes that Suppliers make.

We are the soft skills training provider to the UK Grocery Industry, helping Suppliers to win more business. They choose us because of *our money back guarantee, our relevant experience, and because we make their learning stick.*

The mistakes Suppliers make are similar and can be costly. Our coaching, training courses, and 'Must Win Meetings' support helps to avoid those mistakes and secure more profitable wins for our clients.

I would like to offer you a Supermarket Relationship Assessment using our exclusive scorecard.

Our free supermarket relationship assessment has been designed to help you identify how well your business is performing on training in 3 areas:

- Your team's skills of Category Management, Negotiation Skills, and Time Management.
- How much the supermarket buyer trusts you and your team.
- Your approach to Joint Business Planning.

In a 30 minute phone call, using our scorecards and tools, we will help you identify where your supermarket relationship is and where you would like it to be.

Please email me at [das@makingbusinessmatter.co.uk](mailto:das@makingbusinessmatter.co.uk) or call me on 0333 247 2012 to discuss solutions in this report, or to arrange your free Supermarket Relationship Assessment. or scan the QR code below.

I hope you found this Guide useful and I wish you every success.

Darren A. Smith  
Founder  
Making Business Matter



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# Are You Making Mistakes As A Supplier When Selling To The Big 4 UK Supermarkets?

## About Darren A. Smith

Darren spent his first 12 years as a Category Manager at one of the big four UK supermarkets. During this time he managed a number of areas comprising chilled ready meals, cheese, frozen foods, pizza and fresh fruit, along with an area worth £1bn.

Darren then went on to establish Making Business Matter, a training provider that works with suppliers to the big four UK supermarkets. Over the past 12 years, he and his team have supported supermarket suppliers in improving their **negotiation skills**, **category management** and **time management**.

He has written articles for The Grocer, The Grocery Trader, Food Manufacture, Harpers, Fresh Produce Journal, British Frozen Foods Federation, Supply Management, People Development Magazine, published a book 'A Complete Understanding of the Groceries Code of Practice', and appeared on the BBC.

## About Making Business Matter

We are the soft skills training provider to the UK Grocery Industry, helping Suppliers to win more business. They choose us because of our **money back guarantee**, our **relevant experience**, and because **we make their learning stick**.

The problem suppliers face is that they are investing money in training but are not seeing a measurable return on investment. Our 5 level evaluation provides a 'Chain of Evidence' for each training course.

Our trainers have worked on both sides of the fence and know the challenges of working with the UK supermarkets and being a supplier in a very demanding environment.

Our unique training method, **Sticky Learning®**, ensures that your Learners are still using their new skill 5 months later and this is supported by a money back guarantee.

## Links



[A list of our products »](#)

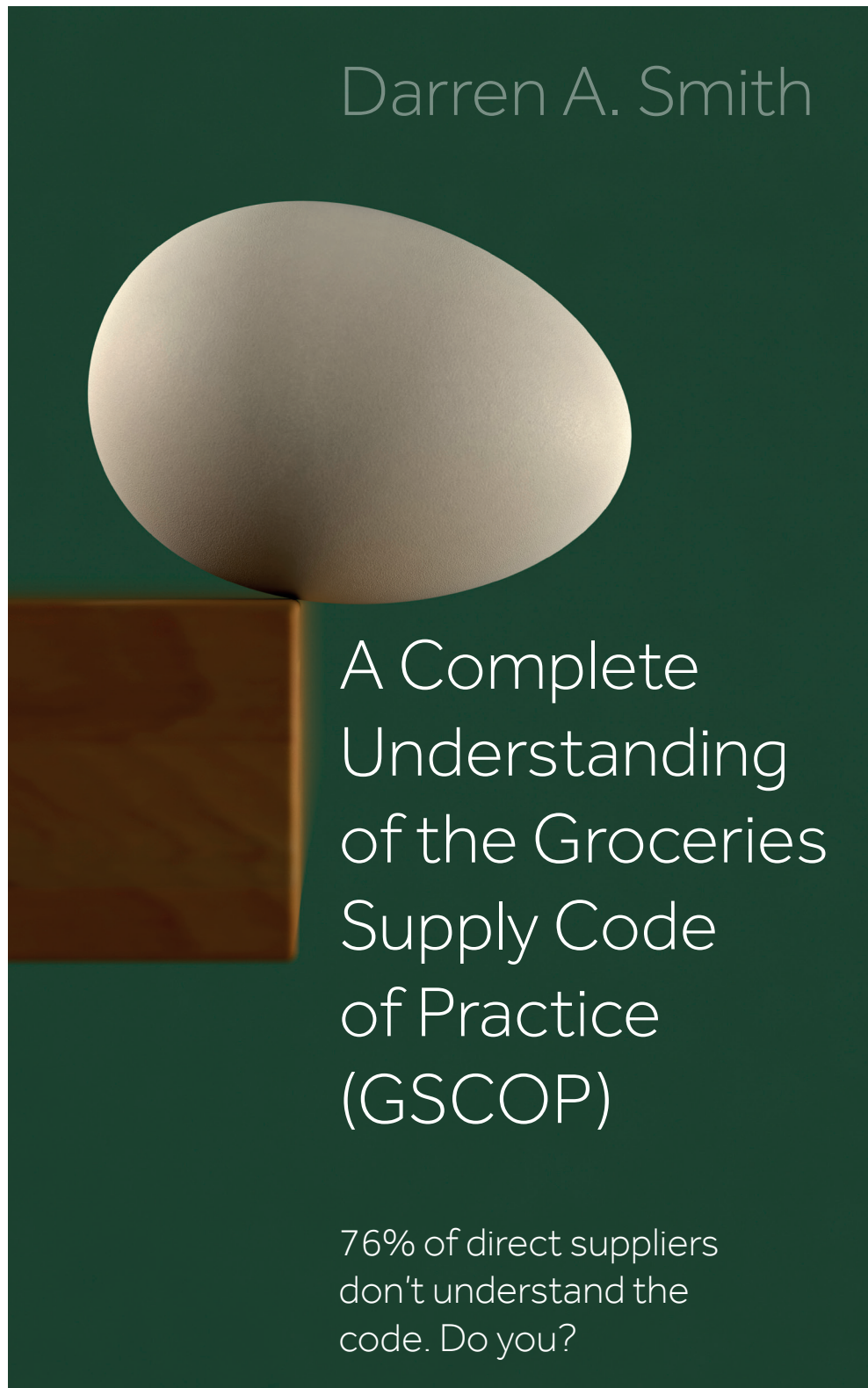


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Are You Making Mistakes As A Supplier When Selling To The Big 4 UK Supermarkets?

## Our List of Training Courses



Trainers to the UK Grocery Industry



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**MBM**

## Trainers to the UK Grocery Industry

80% of our Learners are still using their new skill 5 months later - we guarantee it!

- ✓ Licensed HBDI practitioner
- ✓ BA Hons French language & literature
- ✓ Diploma in Business Coaching
- ✓ Certificate in Workplace Counselling
- ✓ Licensed Firo-B practitioner
- ✓ Vocational Qualifications & Training
- ✓ CPCAB Level 2 Certificate in Counselling Skills
- ✓ CPCAB Level 3 Certificate in Counselling Studies
- ✓ CPCAB Level 4 Diploma in Psychotherapeutic Counselling
- ✓ Introduction to Counselling (D171)
- ✓ Associate Member to the Institute of T & D
- ✓ Understanding Fear & Sadness (D240)
- ✓ Exploring Psychology (DSE212)
- ✓ IPD Certificate in Training & Development
- ✓ FIRO-B Measures License
- ✓ MBTI License (Steps 1 & 2)
- ✓ Saville & Holdsworth OPQ Occupational Testing License
- ✓ Member of CIPD
- ✓ Licensed Myers Briggs (MBTI) practitioner

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