



# HOW TO SUCCESSFULLY ENTER THE UK WHOLESALE CASH & CARRY AND CONVENIENCE CHANNEL



Dhamecha

SAMPLE



Complete and a comprehensive guide on how to successfully enter the UK Wholesale Cash & Carry and Convenience channel. This sixty-page guide aims to cover all you need to know on **entering, maintaining & growing**

# Content

60 Pages

> Introduction: Meet the author

## Part 1A > Understanding Wholesale

- Wholesale channel overview
- Traditional cash & carry, buying groups, retail club

## Part 1B > Understanding Convenience

- Convenience channel overview
- Future trends

## Part 2 > How to enter this channel?

- Shopper mission
- Product DNA
- Case size, price mark PMP, profit margins, activation plans
- Why should the wholesaler list it? What's their expectation?
- Why should the retailer purchase it? What's their expectation?
- Supply chain & minimum order quantities (MOQs)

## Part 3 > How to maintain & grow in this channel

- How to interrupt a retailers shopping journey
- What does a good launch plan & activation look like

## Part 4 > Going above & beyond

- What else can be done to maximise results
- Online utilisation
- Promotional tools
- Retail club
- Van sales

> Your Checklist

> Summary

> About Top Notch Sales



# UNDERSTANDING WHOLESAL

**“Wholesale is a healthy sector that is in a good place,”**

James Bielby, CEO of FWD

# UNDERSTANDING WHOLESALE

If this sector was a supermarket, it would be bigger than any of the other retail chains, except Tesco

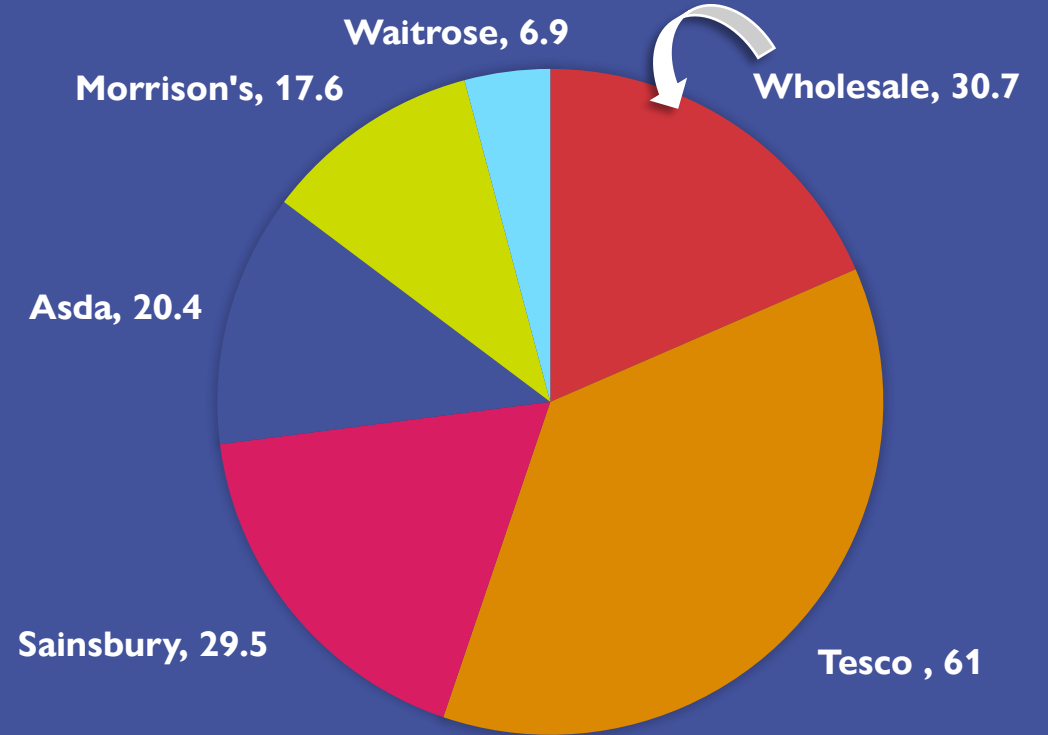
The UK public spends over £48Bn on products supplied by wholesalers

£12.3Bn sales were in retail, making retail the single biggest customer sector in Wholesale

# 596

## Wholesalers\*

**HUGE  
SCALE OF  
OPPORTUNITY**

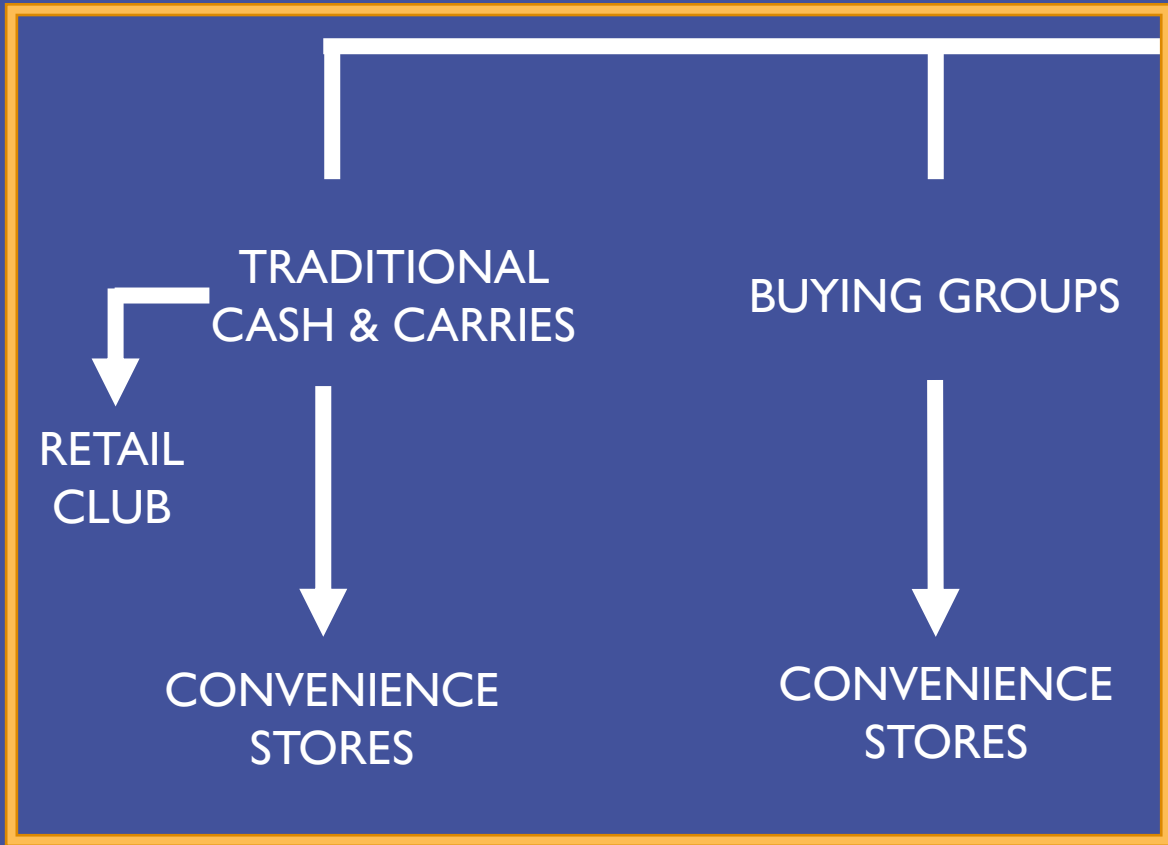


### TURNOVER (BN)

Source: [www.fwd.co.uk](http://www.fwd.co.uk)  
\*Food & Drink wholesalers,  
Cash & Carry & Food Service

# WHOLESALER

**Our Focus**



DELIVERED WHOLESALE

FOOD SERVICE & CATERING

NO DEPOTS, DELIVERY ONLY



HOTELS  
RESTAURANTS  
ON TRADE  
HOSPITALS  
SCHOOLS  
OFFICES ETC

## UK'S TOP 12 CASH & CARRY WHOLESALER BUSINESSES

Rank	Wholesaler	Depots	Turnover (£m)
1	Booker	192	7755
2	Costco Wholesale	29	3354
3	Bestway	56	2940
4	Dhamecha	12	1125
5	Parfetts	8	570
6	United W Scotland	3	275
7	United W Grocers	3	221
8	JW Filshill	1	200
9	HT Drinks	4	162
10	Wing Yip	4	136
11	Holland Bazaar	4	123
12	Global Foods	1	103

**£17Bn**  
**In Sales**

There are 100's of other regional cash & carry wholesalers across the UK who trade independently. They either source products via buying groups or direct from suppliers

Source: [www.thegrocer.co.uk](http://www.thegrocer.co.uk) - The Big 30 Report 2023

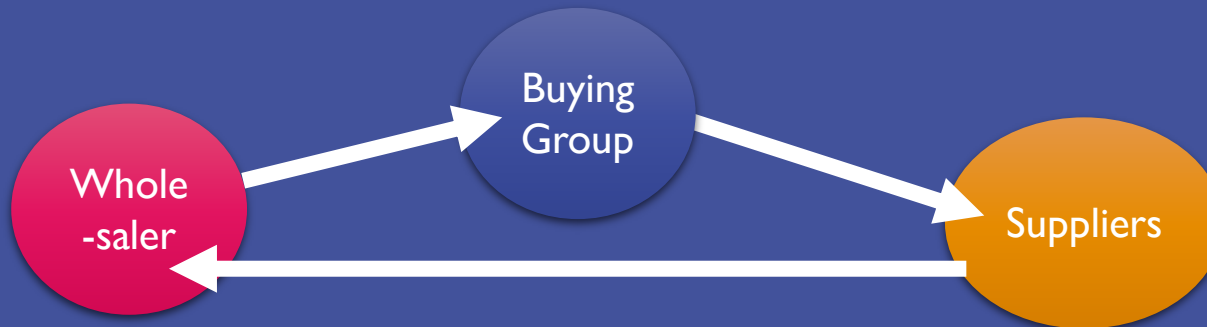
# UNDERSTANDING CASH & CARRY

## BUYING GROUPS

Group of independent wholesalers (food service & cash and carry) become members of a wider group

This allows the buying group to generate **buying power** for its members to negotiate the **best product, pricing and availability** with suppliers

The group acts as a single point of contact with suppliers so its members can reduce their administrative overheads. Full member support for all supplier activations, including new product releases, advertising and marketing



Better pricing and stock availability, delivered direct to the wholesaler







# UNDERSTANDING CONVENIENCE

# UNDERSTANDING CONVENIENCE

Total value of sales  
**£45.2bn**

(in the convenience sector in the year to March 2022)

The convenience sector is expected to grow to  
**£48.6bn** by 2025

Convenience is an integral part of everyone's life, and post covid, people are shopping more local more often

## Who we are

There are **48,590**

convenience stores in mainland UK

**71%** are run by independent retailers

## Why we are important

**£45.2bn** total sales

Over **£9.7bn** in GVA

**£605m** invested

**405,000** jobs

## Most positive impact on the local area



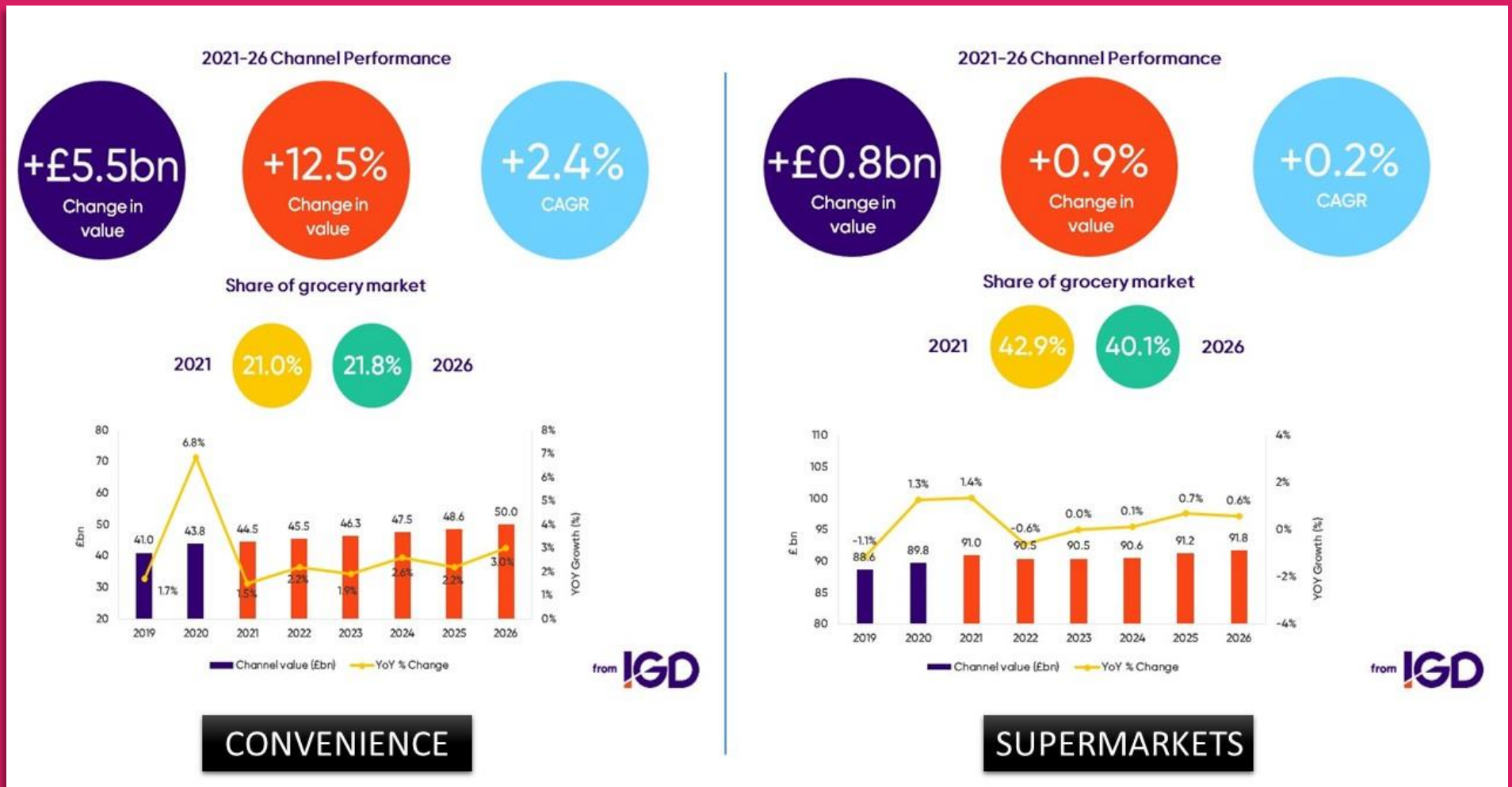
## Most essential services



An opportunity not be overlooked by brands

Source: ACS Local Shop Report 2022

# FUTURE TRENDS



- ✓ Convenience channel is set to grow ahead of the supermarkets in the coming years
- ✓ Consecutive year – on –year growth for the past 4 years
- ✓ Consumers are now shopping ‘more local more often’ vs a big weekly or monthly shop

Source: IGD Report 2021



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# ENTERING THIS CHANNEL

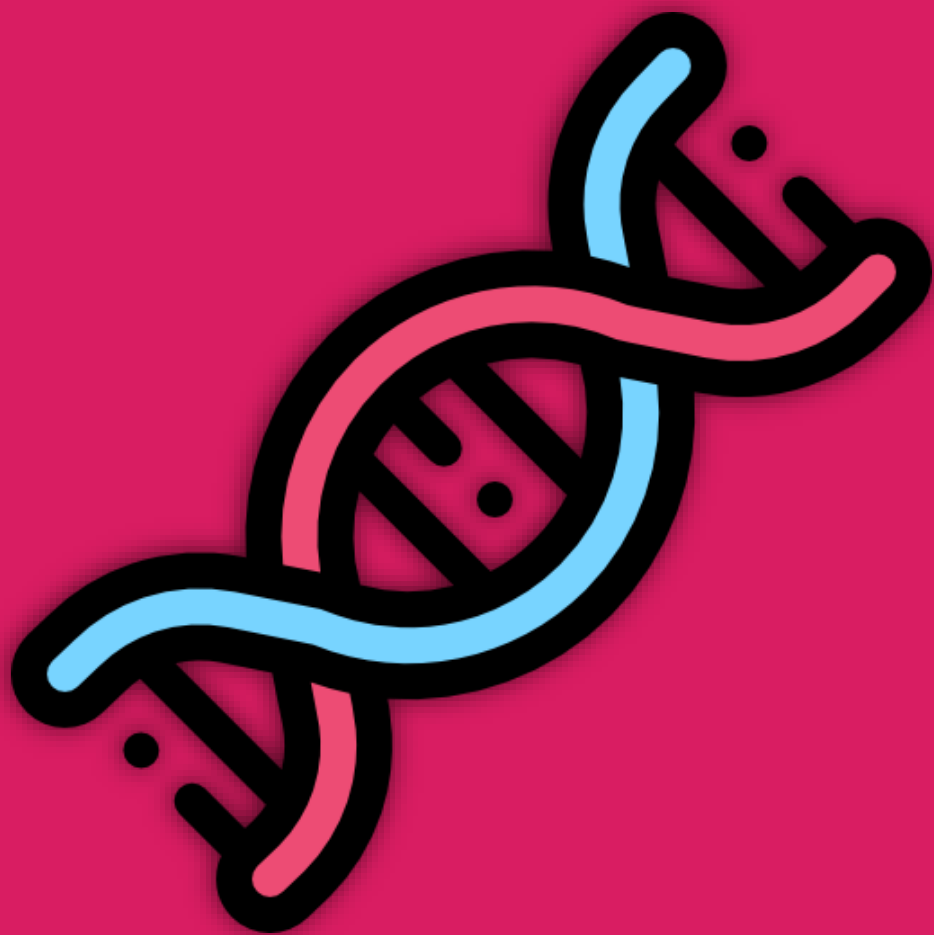
# THE MILLION DOLLAR ? QUESTION

**WHY SHOULD THE  
WHOLESALE LIST IT?**

**WHY SHOULD THE RETAILER  
PURCHASE IT?**

Tip: If it has worked in other channels  
it does not mean it will work here –  
unless your strategy is channel specific





# WHAT'S YOUR PRODUCT DNA?

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It is important to establish if your product is 'fit for the channel' by analysing it's DNA

# WHAT'S YOUR PRODUCT DNA?



Right shared margin for the wholesaler

Attractive Profit-on-return (POR%) for the retailer

Correct case size

Correct grammage/volume

Correct case look

Product shelf life



Price Marked Pack (PMP)

Shelf ready packaging (SRP)





# EXAMPLE: Product DNA Analysis: Case

A crisps aisle picture in a cash & carry.

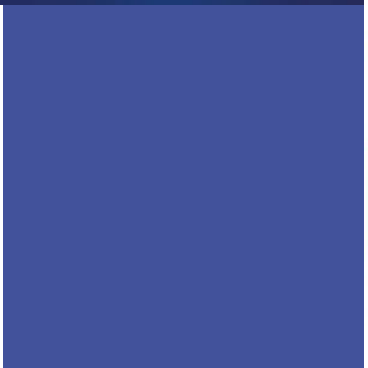
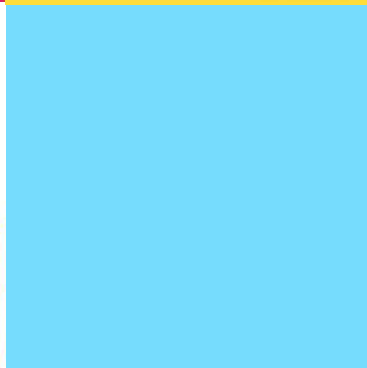
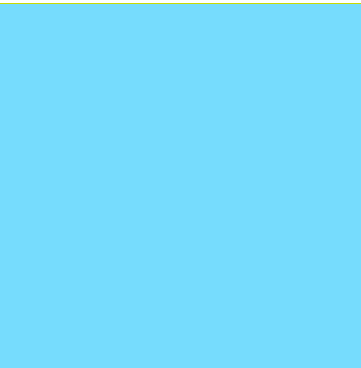
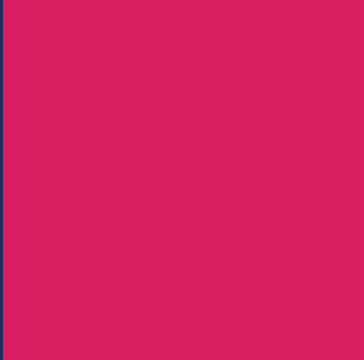
Clearly Visible:

- Product name & flavour
- Pricing
- Barcode
- Bright colours

Tip: Change the scenario to your category and ask yourself, how would your case compete against others in the aisle?







## Product DNA Analysis: Price Marked Pack (PMP)

Almost every category in convenience is now price marked. It is almost an expectation from the wholesaler & retailer for the product to be PMP – especially in the key categories. (soft drinks, crisps, snacks & nuts (CSN), confectionary)

Main reason being that PMP deliver a great 'perception of VALUE' in the customers mind and assures them of not being over charged

47% per cent of convenience baskets include PMPs and some 82% of shoppers actively look to purchase PMPs products\*

\*Source: Lumina Intelligence Reports



# What does a good launch plan & activation look like?

Shelf & Aisle  
POS



These marketing activations are a great way to stand out in the aisle and interact with the retailer - driving product **visibility**





# FURTHER OPTIONS TO EXPLORE

These usually come at an extra cost, but are worth exploring

## RETAIL CLUB



The wholesaler can 'allocate' case(s) to an agreed number of retailers in their retail club database. This results in faster distribution and instant access to 100's of retailers

## VAN SALES



### The bottom – up approach

Carrying out a trial campaign via direct selling is a good option to gain distribution and retailer feedback before approaching a wholesaler

The key objective is to have a 'story' to showcase to the wholesaler that the product has worked and they should stock it

 **Product DNA**

 **Why should the wholesaler list?**

 **Why should the retailer list it?**

 **Activation & launch plan**

# CHECKLIST



# Thank you

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