

MAY/JUNE 2011

CATEGORY  
SOLUTIONS

CBC

# Inside Out

How to encourage spending when  
there's little left in customers' pockets

p. 12

## DIY Store Improvement

Great ideas for  
small budgets

p. 16

## Member Profile

Eden Corner Express  
plans for reset

p. 20



pepsi

Pepsi Summer  
Stock-Up 2011 p. 2-3



# Summer 2011 STOCKUP



Authorized CBC locations only.

## Program Timing

June 1, 2011 through August 31, 2011

## How It Works

### (PLEASE READ CAREFULLY)

This summer, purchase a minimum 500 cases of eligible cases of Pepsi products and get some really great prizes.

Collect and copy all your invoices from June 1, 2011 through August 31, 2011\*. Count your cases, complete your prize redemption form and mail to Pepsi Fulfillment Center for processing. See the prize redemption form provided for details.

Remember... You have three months of prime Pepsi selling season to earn your prizes.

These great soft drink brands count towards your total beverage purchase: Pepsi, Pepsi Throwback, Pepsi Max, Wild Cherry Pepsi, Mountain Dew, Mountain Dew Throwback, Mountain Dew Code Red, Mountain Dew Live Wire, Mug Root Beer, Sierra Mist Natural, Citrus Blast, Lipton Brisk, Aquafina, Aquafina Flavorsplash, Tropicana, Lipton Tea, Frappuccino, SoBe, SoBe Life Water, AMP Energy, TAVO and Frappuccino Double Shot.

In all flavors: regular and diet including Diet Mountain Dew Voltage, Diet Mountain Dew Supernova.

Gatorade products sold by Pepsi are not included in this offer, only the above items are included.

Qualifying Soft Drink Packages include Bottles, Cans and Fountain Beverages: 16 oz. cans, 20 oz. bottles, 1-Liter and 2-Liter bottles, 12-pack and 24-pack cans, 6.5 oz., 8.3 oz. and 8.4 oz. cans, and 15.2 oz. bottles.

FOUNTAIN GALLONS: 1 gallon BIB = 1 case, 3 gallon BIB = 3 cases, 5 gallon BIB = 5 cases

## How To Qualify

Stores must qualify on an individual basis. Bundling of multiple locations will not be allowed.

Example: A four store chain selling 2,000 cases TOTAL does NOT qualify for four prizes.

However, a four store chain with each of the stores selling a minimum of 500 cases DOES qualify for four individual store prizes.

Limit one prize per store location. Prize selection must be made from qualifying level.

\*Invoice copies are the only qualifying means. Sales reports may not be used for this incentive.

## Prize Redemption

Simply mail, fax or email a photocopy of your invoices indicating your qualifying purchase along with the completed redemption form to the Pepsi Fulfillment Center at the address indicated.

Prize redemption forms will be included in the July/August Category Solutions Magazine and will also be available through the Pepsi Fulfillment Center at (248) 322-5450.

Qualifying invoices must be dated no earlier than June 1, 2011 and no later than August 31, 2011.

Limit one prize per store location. Prize redemption is subject to verification and confirmation of invoices submitted. Multiple invoice purchases are accepted. Orders cannot be processed without the proper invoices as supporting documents.

All orders must be received by September 20, 2011. Orders received after this date will not be processed or acknowledged. Sorry, there will be no exceptions to the above date. Any questions should be directed to the Pepsi Fulfillment Center at (248) 322-5450.

#PC700/PCRIVO

# 500 Case Purchase

## Level 1



**PEPSI HEAVYWEIGHT  
POLARFLEECE JACKET**  
12332 Men's/Brown  
12335 Women's/Lt Blue



**VERA BRADLEY HIPSTER BAG**  
11262100 Twirly Birds Pink

**VERA BRADLEY  
LIZZY BAG**  
11451102 Boysenberry



**PAIR OF PACKABLE CHAIRS**  
12270/14062



**COBY 4GB VIDEO & MP3  
PLAYER WITH FM RADIO**  
7258



**OGIO HALF DOME DUFFLE**  
12370 Pepsi  
15063 AMP Energy



# 1000

Case Purchase

Level 2



APPLE IPOD 2GB SHUFFLE WITH ILUV MINI PORTABLE SPEAKER  
4242/7628



IBEATS BY DR. DRE HIGH PERFORMANCE IN-EAR HEADPHONE  
9954



OAKLEY WOMEN'S FORSAKE SUNGLASSES  
1355

OAKLEY MEN'S BATWOLF SUNGLASSES  
8318



COLEMAN 40QT WHEELED COOLER WITH CUSTOM WRAP  
12294 Pepsi  
14092 Mtn Dew  
2996 AMP Energy  
12375 Pepsi Throwback



# 1500

Case Purchase

Level 3



PORTABLE PARTY FRIDGE  
12089 Pepsi  
14076 Mountain Dew Throwback



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TOMTOM XXL 540S 5" WIDESCREEN PORTABLE GPS NAVIGATOR  
1476

PEPSI / NIKE PUTTER PACKAGE  
8030





# In Your Control

Sometimes the best approach to tough times is to hone in on what you *can* do.

**T**here are a lot of factors that are out of a store owner's control. Rising gas prices, high credit card fees and the growing cost of coffee are three that come to mind right away. I'm sure you can quickly expand on that list.

Some things we just do not have a lot of control over and those can quickly become top of mind in our complaints, concerns and gripes. It's much easier to add to the list of negatives than it is to think more on the positive side, but there are lots of things within our control.

We do control how stores look, what items are promoted, how customers are treated and how we connect with them. This is still a relationship-building business at the core. Despite everything else, that makes a huge difference in your customers' lives.

We've honed in on things you can control in this issue. We cannot fix the

economy for you, but there are some things we can help you do to better your business.

Start by reading about what our experts suggest to find a way to sustain business in the face of higher gas prices this summer (see story p.12), move on to ways you can make an impact on store design even with a mega-tight budget (see story p.16)

**We've honed in on things you can control in this issue.**

and don't miss reading about operational controls you can apply today to make a difference (see story p.26).

Throughout each story you'll find strategies and solutions totally within your control that can help improve your business.



Much success,

Pam Romeli  
romeli@cbuying.com  
Vice President of Retail Division  
CBC



*The Power to Compete*

**CATEGORY SOLUTIONS**

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P.O. Box 5287  
Oak Brook, IL 60522-5287  
(630) 455-0175  
(630) 455-5946 fax

**VICE PRESIDENT,  
RETAIL DIVISION**

Pamela Romeli

**EDITOR**

Renee Pas

**ART DIRECTION**

Jennifer Parquette  
CSP Information Group

**FOR ADVERTISING INFORMATION:**

Please contact Pamela Romeli at  
(866) 455-3411, ext. 113.  
e-mail: info@cbuying.com

**FOR EDITORIAL INFORMATION:**

Please contact Renee Pas at  
(630) 455-0175 ext. 140

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12

# CONTENTS

## FEATURES

### 12 Cover Story

#### Inside Out

By Renee Pas

Soaring gas prices make for a tough retail environment as consumers have little left to spend in the store after filling up. On the bright side, experts say because consumers are opting for less-than-full gas tanks, they may actually be stopping more often. We uncovered some fresh ideas on how to draw them into the store once they stop.



16

### 16 Do-It-Yourself Store Improvement

By Renee Pas

If a full-scale redesign is not in the cards for your store's future, look inside to determine what you can do to give your store a quick facelift. Small fixes can make a big difference.

### 20 Member Profile

#### Eden Corner Express

By Renee Pas

This single-store retailer is looking to sell more products and make more money. Who doesn't want that? Find out what they are planning to change and what makes this store unique.



20

### 8 What's in Store

#### Frozen Novelties

By Renee Pas

Summer's a great time to emphasize frozen treats. Learn what strategies are most effective in driving sales in this high-margin c-store category.

## DEPARTMENTS

4 Inside View: Pam Romeli

10 Attendee Spotlight

24 Featured Supplier: Cintas

26 View From the Field: Ted Roccagli

30 Retailer Action Items



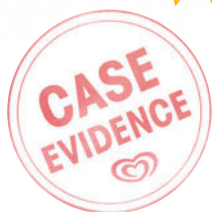
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# Finding growth in frozen novelties

Category management essential for this high-profit-generating category

[ BY RENEE PAS ]

**F**rozen novelty items represent a relatively inexpensive treat for consumers, something that could fare well for retailers this summer as consumers will in all likelihood be looking for cheaper ways to treat themselves.

Mike Stull, regional business manager for Unilever, advises retailers maximize sales opportunities by placing product where people can see it.

"Most people do not plan to buy ice cream," he said, "but when they walk into a store and see ice cream close to the register, there is a good possibility they will buy some."

The high-impulse nature of frozen novelties is matched by the category being a high-profit-maker as well. "As most stores are direct-store-delivery serviced with no labor or freezer costs, this is a high profit maker for stores," Stull pointed out. "This is a high register ring and a high margin ring as well, with averages around 35–40%."

## RIGHT ITEMS IMPORTANT

Stocking the right items is a sure-fire way to build ice cream sales, according to a 2010 study from Mars Chocolate North America, Hackettstown, N.J. The Ice Cream Assortment Study shows that 28% of ice cream consumers will not buy anything if they don't find exactly what they want. Eleven percent will even leave the store.



And those are valuable c-store consumers that might be exiting. The MARS study showed ice cream novelty shoppers visit small outlets three or more times per week on average. They are more likely to be females and 80% buy ice cream there once a month.

Product promotions and new items can certainly help boost category momentum. Retailers can build up both new item sales and favorites with point-of-sale materials.

Stull recommends a three-point placement plan for POS: one in the window, one on the door and one on the ice cream case. The three-pronged approach can help keep the category front and center for customers. ■

## FROZEN FUNDAMENTALS

Want to sustain—or better yet, grow—frozen novelty sales? Unilever's Michael Stull recommends following these basic steps:

- 1 Keep your freezer clean
- 2 Eliminate any ice build up in freezer
- 3 Maintain a fully stocked section
- 4 Post a price list near novelty items
- 5 Draw customers in with POS



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# Top takeaway: Cash Controls

## Key learnings from CBC Seminars.

[BY RENEE PAS ]

### WHY CBC LEARNING CENTER SEMINARS WORK

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**W**hen Ruth Cruz Nichols returned to her store after a CBC Learning Center seminar she started paying more attention to her video surveillance camera. She now jots down questions to ask employees based on what she saw on tape.

"I know a lot more about what's going on now," said Cruz Nichols, who runs the Citgo-branded C-Mini Mart in Cary, N.C. "We now know who we can trust." She said she asks leading questions and lets the CSRs (customer service representatives) fill in the blanks.

Additional tools she applied from the seminar:

► **Posting hours of operations.**

She didn't think it was necessary in the past.

► **Mandatory uniforms and name tags.** That has helped customers form relationships with CSRs since they now know their names.

► **Background checks.** Adding that step into the interview process for all new applicants has prevented at least one big potential problem.

► **Coffee upgrade.** Coffee service now features a local coffee brand.

Applying these strategies has helped improve store operations, something seminar instructor Tom Terrono strives to focus on with attendees.

The No. 1 thing put in place is cash control tools.

### CONTROLLING CASH

"Most retailers are honest and trustworthy by nature," Terrono said. "Many have told me they had no idea there were so many ways to steal."

There are two common techniques employees use when failing to ring up cash register sales:

**1.** Removing the amount from the drawer early in their shift.

**2.** Covering the shortage by "padding" the drawer.

Padding the drawer essentially means keeping track of sales not recorded on the POS (cash register). That way, the dishonest employee can cover the money they have taken—or plan to take—from the cash drawer.

Here's an example: The employee works from an open cash drawer during your busy morning coffee rush. The employee keeps a tally sheet nearby to mark down how many unrecorded sales were made, so they know how much extra cash is in the drawer.

**Solution:** Never allow anyone to work from an open drawer.

When you see excessive "no sales on report tapes," ask for an explanation. It makes a huge difference when employees know you are paying attention. ■



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# Inside Out

Soaring gas prices make for a tough retail environment. Here's what you need to know to get through the crisis.

[ BY RENEE PAS ]

Satisfy loyal shoppers first.

**A**sk a c-store owner if they are concerned about business and you get "yes" across the board.

"We're noticing a lot more credit card sales, which of course damages our business," said Bobbi Boman, owner of Silver Bay BP in Silver Bay, Minn.

"People also have a tendency to buy less inside the store," he said.

Boman said with spring now here, he's starting to see a small rise in customer frequency, which he hopes will continue to increase for summer.

"What I'm hearing is that the average 8-gallon fill-up is down to 5 gallons," said Doug Hecker, a consultant with b2b Solutions, Lake Forest, Ill. "The frequency is going up; fills are going down."

In the face of gasoline prices topping 2008's historic highs, what's a c-store retailer to do?

## TOP OF THE LIST: LOYALTY

Satisfy loyal shoppers first. That's the No.1 thing that Todd Hale preaches. Hale is senior vice president, Consumer & Shopper Insights, The Nielsen Company. All retailers should satisfy loyal shoppers with savings linked to shopping frequency and spending levels, he said.

Larger c-store chains already do that on a grander scale, but smaller retailers don't need to feel left out. Even if it doesn't tie to gasoline, find some way to reward loyalty, said Hecker. "You can create frequent purchase cards with very little expense." A simple punch card for coffee or fountain purchases is a start.

Fountain and coffee are two segments Hecker pointed to as having great potential for loyalty and promotional programs because they are high frequency items. He suggested an attention-grabbing promotion, such as a 59 cent fountain drink, to draw the gasoline customer inside this summer. "Something that will make them say 'Wow!'. Think on the extreme side to grab their attention," he said. A similar promotion could also be built around coffee.

## FOCUS ON CORE CUSTOMERS

Coffee is a fundamental piece of the morning day-part, a key day-part for heavy c-store users. And that heavy c-store user is one segment of shoppers that's showing a rebound, according to data from The NPD Group Inc.



Two-for deals and instant coupons are predicted to be bigger draws for budget-conscious consumers this summer.

These heavy c-store users are mostly male, younger, blue collar workers and tend to visit c-stores in the morning. "Stores who are going to win with this group are going to win in the morning day-part," said David Portalatin, director of industry analysis for The NPD Group Inc, at a NACS workshop.

New data released in April 2011 from NACS shows the c-store industry's top performers (those who rank in the top quartile) double the average c-store in most category sales. But, when looking at hot dispensed beverages—that group quadruples sales. The new stats offer yet another reason to hone in both marketing and operational efforts on coffee.

## REVISITING LAST TIME

Looking back at what happened the last time gas prices topped \$4 a gallon provides some insight into areas retailers can focus on as gasoline prices now look to top the highs of 2008. Two consumer behavior trends that have a direct impact on gas station/c-store owners include more consumers buying gasoline because of incentives and the greater use of coupons.

Following 2008 gasoline highs, The Nielsen Company reported that one-quarter of all U.S. households were buy-

ing gas at locations because of incentives tied to spending levels. Nineteen percent of gas station/c-store consumers reported incentives influence their gasoline purchasing behavior, compared to 24% of grocery consumers. Coupon use was also on the rise, with more consumers indicating they are using more coupons.

Although coupons are historically not a huge part of c-store business, research from The Nielsen Company shows coupon usage on the rise in all channels. Coupon redemption at c-stores showed 12% growth in 2010. The Nielsen Company expects more coupon usage in the future, especially considering it's easier for retailers to get coupons in the hands of their customers today through social media efforts such as Twitter and Facebook.

## OVERCOME SOCIAL MEDIA FEARS

For those still in the dark about social media, now's the time to start figuring it out, said Hecker of b2b Solutions. He talks to a lot of small retailers and said that across the board, most have yet to start capturing customers' e-mails. "They need to start learning that," he said, "so they are not lost in how to use social media."

A **simple place to start marketing using online medium is by tapping into free listing sites, such as Google Places ([www.google.com/places](http://www.google.com/places)).**

It's a huge learning curve for many operators, Hecker knows, but he believes the payoff is worth it once a list is created for retailers to use for marketing purposes. "The majority of retailers just wait for customers and do not market to them," he said. Operators benefit by becoming more active promoters of their business.

A simple place to start marketing using online medium is by tapping into free—or almost free—listing sites. Hecker pointed to sites like Yelp, Merchant Circle and Google Places as online venues to at least list your store. Google Places, for example, offers a free listing so potential customers searching for a gas station/c-store in your area can find you.

"Get educated, get help and take the first step," said Hecker. "Do something." ■



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# Do-It-Yourself Store Improvement

No money? No worries.

Refresh your store on the cheap with these easy-to-execute ideas.

[ BY RENEE PAS ]

**Y**ou don't have to set out to create the latest state-of-the-art c-store to make an impression on your customers. Just hone in on areas with the biggest impact.

"You always want to apply your limited budget in places where you'll get credit from the guest," said George Waite, program manager for Chute Gerdeman, a Columbus, Ohio-based design firm. He outlined two basic options:

1. Focus all of your budgeted money in a small space to make big changes.
2. Spread the money over the entire store and make smaller changes throughout.

Waite recommends the first option. He explained that by applying more money to a focused area, such as your main entry or beverage section, you will immediately earn credit from customers that you have made a change. "Invest in something that you want to stand for," he suggested, such as the cold vault, fountain drinks or bakery. "The rest of the store can be left almost as it is since the guest expects the space to feel quick and convenient, with easy to navigate aisles of products the guest needs or expects to find in the store."

Easy to navigate is the key. Waite stressed that stores should feel uncluttered and be well lit. "Anything that



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## DIY REVIEW

Assess your store to determine what areas might need some extra attention. Be on the lookout for two common (yet easy to fix) problems:

**BROKEN STUFF** Scan the store for chipped paint, often found on gondolas and in bathrooms. Also take the time in restrooms to tighten loose toilet seats, fix missing or cracked tiles and re-grout.

**OLD STUFF** Remove old promos, fixtures and products that are no longer relevant. Stop and look at signs in your store window as you enter the store. Get rid of any outdated, damaged signs that are hurting your store image. Apply the same principle inside and get rid of old temporary cardboard displays that are restricting aisles.

**USE THIS TRICK:** Ask a friend to walk through your store and detail what they see. Different things jump out to people who are not in the store day in and day out. Find the pickiest person you know, hand them a clipboard and a pen and give them carte blanche to conduct a thorough once over of your store.

brightens up the store and makes it feel fresh and updated will help. Make sure your store is clean, inviting and safe feeling," he said. "Just having a clean bathroom that guests want to use goes a long way in their minds and could ultimately leave them wanting to spend time and money in your store."

## BIGGEST BANG FOR THE BUCK

The checkout counter is the most opportune area of the store when it comes to determining the best location for some extra TLC (tender loving care). "It's the one spot that all your guests will have to go at some point during their journey," Waite pointed out.

The checkout counter is also the primary spot Brian Weltman recommended retailers start when assessing design updates. Weltman is the co-founder and creative director of Retail Habitat, a retail design firm out of San Diego, Calif. "The biggest impact area is the counter," he said. "That's the first place I'd start."

If purchasing a whole new checkout area is not in your budget, perform a simple cosmetic makeover by rethink-

ing the space. The goal is to provide more room for customers, said Hugh Large, a convenience retail expert in Canada and owner of Hugh Large & Associates Inc., Ballantrae, Ontario, Canada. His approach to sprucing up checkouts starts with determining how long items have been there and reviewing if the items justify a spot at the checkout based on weekly sales and profits.

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**"The biggest impact area is the counter. That's the first place I'd start."**

**Brian Weltman**, Retail Habitat

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For more on checkout counter strategies and overall interior appearance ideas, visit [www.cbclearningcenter.com](http://www.cbclearningcenter.com). Both Growing Your Business seminar and the Customer Service for Owners computer-based training courses offer additional insight.

Continue the revamp of the checkout by revisiting the way employees greet and serve customers, added Waite. It offers another way to support a new look for the store.

"It is not enough to just put up new signs," said Mindi Trank, vice president of brand and consumer strategy at Chute Gerdeman. "The guest needs to see that your business is trying to meet their needs and ease their pain. It can be through speed of the checkout, ease at the ordering point or adding time to their day by providing extra products or services to take an extra stop out of their day," she said.

## THE ABSOLUTE MINIMUM: PAINT

Small retailers are not alone in facing a limited budget when it comes to store design and upgrades. "Everyone's looking for a quick fix today," said Weltman. "Even the bigger guys want to save money."

If nothing else, turn your attention toward the absolute least expensive thing you can do: paint. A fresh coat of paint adds a quick lift to a store, said Weltman.

Another key area to consider upgrading is gondolas. "Look at what you can do to upgrade fixtures," Weltman said. He finds lots of stores have older, metal gondolas with paint chipping off in areas.

Everything helps. "Just find that little bit of something you can do to improve the store," Weltman said. ■





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Corrosion Protection	<input checked="" type="checkbox"/>
Stage I Vapor Recovery	<input type="checkbox"/> ?
Ongoing Monitoring, Inspection and Reporting	<input type="checkbox"/>

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# Eden Corner Express sets out to sell more

Poised for a major reset, Calvin Herrmann and his team rethink how to best use store space.

[ BY RENEE PAS ]

**H**ow can we use our store space better? That's the question Renee Beck and Sara Herrmann had on their minds as they headed back to Eden Corner Express, the c-store where both work, after attending a CBC Learning Center seminar.

Immediately upon their return, they applied some of the common sense things instructor Tom Terrano preached at the seminar. "One thing we did right away was to make sure everything had a price tag," said Beck. "We're pretty good at it now."

They also started looking at customer traffic flow. "What direction people walk and what sells," Beck explained. That led to a full reset of the store, which is slated for sometime before summer.

The main goal: to improve sales and sell more.

## WHAT'S IN THE PLAN

The staff is already working through items that need to go. Anything that hasn't moved in the last 90 days now goes in a basket for quick-sale, said Beck.

The reset hit list includes the following:

- ▶ Snacks will move closer to the front of the store.
- ▶ Automotive items, now close to the side entrance, will be pushed toward the back of the store.
- ▶ Prime space along a side wall, which is now used to house extra stock, will be repurposed with shelves to add more sales space.

The store is working closely with their grocery wholesaler, Chambers & Owen, on reset legwork.

"It's an aggressive reset," said owner Calvin (Cal) Herrmann. "It's the biggest thing we've done since our





## THE EDEN CORNER EXPRESS KEY STATS

**Location:** Eden, Wis.

**Store stats:** 1,600 sq.ft. store with 6 MPDs

**Store hours:**

4:30 a.m.–10:00 p.m. Mon.–Sat.

5:30 a.m.–10:00 p.m. Sundays

Open till 11:00 p.m. on weekends in summer

**Employee stats:** 2 full-time and 10 part-time employees

**Buying Group:** Citgo Buying. The store participates in Cintas for apparel and cleaning solutions, Ribbons and More for cash register ribbons and paper, Cadbury Candy and Kraft Foods through Chambers & Owen.

remodel in 2005 when we doubled the size of the store.”

Cal himself is a bit of an unlikely c-store owner. His primary focus has always been the meat market. Owning the c-store came as an extension to that business.

It all started in 1983 when Cal joined his father in purchasing Eden Meat Market in Eden, Wis. The Eden Café, a family-style restaurant, was added in 1994, along with Eden Catering. Eden Corner Express became part of the mix in 2002 when the prior owner opted to exit the c-store/gasoline business.



## PUMPING UP E85

Eden Corner Express is one of the first places in Wisconsin to be a blending site. The store blends 100% ethanol to create E85, E30 and E20, blends that are used in flex-fuel vehicles. Owner Cal Herrmann installed the pumps the last time gas prices were on the rise. Altogether, the site has 4 ethanol pumps, 3 diesel pumps and 6 standard MPDs.

“The c-store was a way to branch out from the meat market,” Cal said. “It’s all around the idea of expansion.” In his eyes it was yet another venue for selling meat products.

Eden Corner Express is now a solid operation in its own right, with Eden Meat Market products featured prominently in the store. Cal oversees operations at all business units. The company now has two restaurants, both connected to gas station/convenience stores. The Eden Café with Eden Corner Express, a Citgo-branded site, and the Eden Grill, a Shell-branded site owned by a different operator.

## KNOWING YOUR CUSTOMER

At the helm of much of the Eden Corner Express operations is Beck, a store veteran of 18 years. No one carries a title at the store, but it doesn’t matter because all employees know what needs to be done and they make it happen on a daily basis.

Catering to customers is one of the things she feels makes the store special. “If one of our customer’s asks for something, we stock it,” Beck said.

That strategy goes a long way since the town’s population totals 724, which leaves few options when it comes to shopping. Customers rely on the store for basic c-store fare, such as gasoline and cigarettes, but also view the store as a solid resource for stock-up needs.

So, while committing a full cooler door to cold 12-packs





**TOP:** Eden Corner Express maintains a full coffee set, which is housed in the center of the store.

**BOTTOM:** Eden Meat Market fare includes fresh sub sandwiches made daily and a lineup of frozen top sellers.  
(right) Window markers succeed in highlighting what's new in the store.

may not be the industry norm, it is a must for this site. Beck explained that the store can easily sell out of fridge packs of Mountain Dew in a single shift if one of the two nearby dairy farms decides to stop in and treat employees. "They come in and buy us out," she said.

The mega-dairies also brought a new customer mix to the area. The community demographic now includes a greater Hispanic population. When requests for more hot and spicy foods came in, Beck delivered and continues to add more variety in that area. "Offering customers what they want is huge," she said. "We try hard to fit what they want into the store."

That message has extended into the store's beer lineup as well. "We're known for having one of the largest beer selections in the area," Beck said. "The nearest

grocery and liquor stores don't even stock some of the items we do. We stock a lot of unique beers, especially microbrews."

Cal seconds that view: "We are the only store within 10 miles to sell certain items," he said. It's all housed in the beer cave, which was added during the store's 2005 expansion. The walk-in nature of the display makes it much easier for employees as well, noted Cal, since salesmen and delivery guys do the majority of the stocking.

Outside the beer cave there are a few noticeable standard c-store items missing: fountain and frozen carbonated beverages (FCB). They tried FCB and never really had success with it, including FCB coffees. As for fountain, they simply send customers next door to the Café, which takes us back to how the businesses intermingle.



“Offering customers what they want is huge.  
We try hard to fit what they want into the store.”

Renee Beck, Eden Corner Express

## CLOSER TO THE PLATE

As the c-store side of things developed, it's changed the meat market side of things. The store not only provided a whole new market for Eden Meat Market products, it also changed the meat market's packaging. "C-store customers buy for the moment and meat market customers buy in bulk," said Cal. "It's a different clientele."

The meat market now packages about half to meet retail needs and half to meet meat market needs, he said. "The c-store has really changed the meat market business. I didn't think it would anywhere near double our snack sticks ... but it did."

Among the meat market's specialties is homemade sausages and jerky. The meat snack lineup includes smoked beef strips, beef sticks, summer sausage and BBQ pork strips.

The c-store stocks all the meat market's best sellers, including pizzas, a range of bratwurst and sausages and premade sandwiches.

Heat-and-serve items are also popular, Cal noted. "Everything is getting one step closer to the table," he said.

While he expressed concern about the economy, he said he hasn't seen a big downturn in his c-store business. It has shown up on the restaurant side, however.

He would also consider adding another c-store to his business portfolio some day. The challenge, he has found, is finding the right location at the right price. After evaluating one site, he said the money he'd have to put into it to upgrade tanks made the investment no longer worth it.

One thing's for certain: don't count Cal out. If it means selling more meat products, he's bound to find something on the horizon.

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# Safe and clean builds customer loyalty

**A** recent Harris Interactive survey revealed that 99% percent of U.S. adults reported that any poor cleanliness issue would negatively affect their perception of a retail store. In fact, dirty restrooms and unpleasant odor were top annoyances over poor customer service. To maintain loyal customers, convenience stores (c-stores) must provide a safe, clean and aesthetically pleasing environment.

Cintas Corporation offers a comprehensive facility services program to help c-stores solve maintenance issues and promote a positive image. With cost-effective, customizable solutions designed specifically for any c-store's needs, Cintas' services help protect, maintain and deep clean. This enables management to focus more on growing their business rather than cleaning issues. The program includes floorcare solutions, clean restroom solutions, cleaning tools and chemicals and food safety solutions.



## FLOORCARE SOLUTIONS

Cintas' mat service captures contaminants and moisture before customers track it through a store, keeping floors dry and clean. It includes prompt and reliable pick-up, cleaning and delivery on a routine basis. All mats are certified "High Traction" by the National Floor Safety Institute (NFSI) to help reduce slips, trips and falls.

In addition, Cintas' deep clean tile and carpet service helps c-stores revitalize and extend the life of their floors while also reducing costs associated with specialized in-house cleaning services. Using a high-pressure steam system, it removes dirt and deep cleans carpeted and hard-surface floor coverings.

## CLEAN RESTROOM SOLUTIONS

Cintas' program keeps restrooms stocked with high quality hand care and paper products. Cintas representatives regularly check all dispensers and odor control systems.

They also routinely perform a deep clean using Cintas'

Sanis UltraClean restroom cleaning service to wash away old dirt and grime. Using a high-pressure, chemical injection washer, it removes soil build-up that can't be cleaned by mops and brushes alone. As a result, c-stores have sanitized restrooms that also look and smell clean.

## CLEANING TOOLS AND CHEMICALS

Cintas pairs the right cleaning tools, such as mops and wipes with cleaning chemicals to provide maximum performance for daily floorcare and restroom maintenance. It also provides chemical dispensing systems to reduce user error and ensure the right amount of cleaning agent is used every time. On a routine basis, a

Cintas representative will replace cleaning tools and wipes to ensure staff members clean with fresh, sanitized tools.

## FOOD SAFETY SOLUTIONS

Cintas' program includes chemicals and tools designed for food safety to help ensure food preparation areas within c-stores remain clean and sanitized. Cintas monitors and replenishes essential items on a routine basis to reduce inventory costs. This includes Cintas' pot and pan detergent, designed to clean food soils and grease, and a sink sanitizer.

To help prevent contamination, Cintas regularly stocks c-stores with hand care products including soaps, sanitizers and hands-free paper towel dispensers. The program also includes a laundered apron service to enhance image.

Cintas' facility services program provides c-stores with a flexible, cost-effective solution that solves their cleaning and maintenance challenges. Using the program, they will have the resources to maintain a clean and inviting atmosphere to continuously attract and maintain loyal customers. Call your Member Service Representative at (866) 455-3411 to get started. ■



# Don't Leave Your Customers Stranded



**Essential restroom products. Exceptional Cintas service.**

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or visit [powertocompete.com/info](http://powertocompete.com/info)





# Upping your operational controls

Two often overlooked areas that you can actually control: loss prevention and payroll. Check that you're giving them enough attention.

[ BY TED ROCCAGLI, MANSFIELD OIL ]

**A**re you keeping track of your cigarettes? We've found that 70% of the retail operators we work with do not count cigarettes. That can prove a costly mistake.

At \$5 to \$6 per pack, and considering a great majority of c-store employees smoke, it's an area that you need to get a handle on to avoid employee theft.

Internal theft can quickly put operators out of business. I've seen retailers lose countless of thousands of dollars before they wake up. Don't wait until you get burned. Internal theft can put you out of business.

Reconciliation Worksheet.

The Inventory sheet is designed for store associates to complete at the end of each shift. It details what happened on the shift: what they started with, what came in and what was sold. The Reconciliation sheet takes you through the entire day, taking you through each shift and allowing for comparisons.

---

## Counting cigarettes is a critical task.

Make sure it's executed every shift.

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### TED ROCCAGLI



Ted Roccagli is retail marketing manager and business coach for Mansfield Oil, Gainesville, Ga. Mansfield Oil partners

with CBC Learning Center to coach retail operators in how to better control key areas of their store. Working with single store operators is one of Mansfield's specialties. In addition to supplying fuel, Mansfield offers a preferred vendor program and partners with retailers for success.

### MAKE AN IMPACT

If you find yourself among those single store owners not counting cigarette stock every shift, commit to adding that task to your work list. That is a critical area of your business that is within your control—and when there are so many areas out of your control, it's important to pay close attention to segments you can control.

Start now. You can download free worksheets for this task at [www.cbclearningcenter.com](http://www.cbclearningcenter.com). Click on the resources tab to view the Cigarette Inventory Worksheet and the Cigarette

Counting cigarettes takes 30 minutes or less. Once employees know they are being watched, they will immediately be on the fence about stealing. If they know they are not being watched, you will (or are) facing potential severe losses.

That's why cigarettes are the first area we help retailers take control of when we partner with them for success. It's a key area where you have the majority of control.

The next most important area to tackle after cigarettes: payroll.



## Considering Selling? NOW is the time!

Premium sales services and programs from the industry leader are now available to single-site sellers.

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than any other company.

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- More than 11,500 unique visitors on average to NRCMart.com each month
- Over 40 sites in 8 states listed to-date valued at \$80MM+
- Mart's Online Bidding Technology Platform gains maximum exposure for your property

\*Terms and conditions apply. Please contact your buying group Member Representative for details.



## STREAMLINE YOUR PAYROLL

An operator's biggest expense after rent or mortgage payment is their labor expense—a second totally controllable area. Streamlining payroll can feed profits right back into your bottom line. We've seen retailers slash excess payroll as much as \$3,000 a month. Think about what kind of impact that could have to your operation.

The way to start cutting out the fat is to better understand your business. You need to know your peaks and valleys: when you have the most customers in your store. You don't want to have two people on a cash register where one is busy and the other person has nothing to do. The trick is to know your business and fit payroll into when you are busiest.

## PAYROLL CHECKUP

Conduct a quick payroll check at your store with a payroll evaluation. If payroll is over 15% of merchandise sales, there is an opportunity to streamline payroll. You don't want to be anywhere near that in relation to merchandise sales. Typically 10–12% is where you want to be at in terms of national numbers, although it's really site-specific.

Anything higher than 12% is a red flag for problems. That's when it's time to really dig down, look closely at work schedules and examine where to slash the excess.

## MORE OPPORTUNITIES

Having a solid back office system offers yet another solution for controlling profits and margins, such as Amcom Software. Back office systems help retailers control profit by better managing prices, keeping an eye on



Industry experts Ted Roccagli and Bo Bearden, both of Mansfield Oil, point to cigarettes and payroll as the top two areas c-store retailers can control.

move rates to reduce overstocks and overall maintaining more focus on accounting and store management. Single store operators need to be strict in accounting practices to be successful.

## Reinforce store standards regularly with your team.

Maintaining a strict store environment is also a must. That includes keeping restrooms in topnotch condition, upholding strong standards for customer service and paying constant attention to your coffee program.

## POLICIES AND EXPECTATIONS

Reinforce store standards regularly with your team. It reminds employees how important each of these areas is

to the store. Refer to CBC's Employee Policies & Procedures Guide for an easy-to-follow tutorial that informs employees not only how to perform key functions, but why it's important.

For example, customers constantly evaluate how they are treated in stores. That's why making each customer feel valuable is so important.

*Teach employees the **GUEST** approach:*

**Greet** the customer

**Understand** the customer needs

**Eye contact** with the customer

**Suggestive** selling

**Thanks**, ask customer to return

The **GUEST** approach helps keep customer service ideals top-of-mind. Showing enthusiasm and interest in the customer goes a long way in exceeding their expectations. Work to exceed both your customer's expectations and your own as you implement greater controls in your store. ■



# Take your C-Store to the next level.

## Operations Manuals



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All CBC Learning Center seminars and training products are developed by C-store operators for C-store operators.



# Retailer Action Items

Ideas and strategies we didn't want you to miss from this issue.

[BY RENEE PAS]



## OFFER INCENTIVES

Today's consumer is looking for a bargain. Create special promotions and offers to draw them in, such as bundled two-for special offers and instant coupon incentives at the cold vault.

Research shows coupon redemption in c-stores is on the rise and expected to continue.

*For more ways to reel customers into your store read our Cover Story on p.13.*



## GET LISTED

Search online for a gas station/convenience store in your neighborhood to see if your store pops up. If you only see your competitors listed, it's time

to start taking advantage of free online sites to promote your business.

Three places to begin: [www.yelp.com](http://www.yelp.com), [www.merchantcircle.com](http://www.merchantcircle.com) and [www.google.com/places](http://www.google.com/places). All offer local businesses greater exposure.

*Read more about the importance of online marketing on p.14.*



## COUNT CIGARETTES

The vast majority of retailers miss a beat when it comes to counting cigarettes. Don't make that mistake. At \$5-\$6 a pack, it can add up to big dollars lost in internal theft.

The best approach to avoiding cigarette shrink is to start counting. You can perform this task in roughly 30 minutes, making it a quick way to regroup on your No.1 seller. Get started by downloading free worksheets at [www.cbclearningcenter.com](http://www.cbclearningcenter.com). You'll find the worksheets under the resources tab.

*Read about more operational controls to apply to your business on p.26.*



## ADD NEW ENERGY WITH PAINT

Refresh the look of your store with a fresh coat of paint. It's a simple, cost-effective upgrade that you can execute

on your own. It will brighten up your store and give it an updated feel.

*For more inexpensive design ideas read DIY Store Design on p.16.*



## CHECK YOUR TRAFFIC FLOW

Take note of the direction your customers travel through the store. Which way do they walk? What are they buying?

When employees at Eden Corner Express started looking closely at traffic flow, they came up with a better way to direct traffic.

That led to a full store reset that will move things around in an effort to improve sales and sell more. And it all started with simply watching people walk the store.

*Learn more about Eden Corner Express beginning on p.20.*



## SCREAM FOR ICE CREAM

Let your POS do the screaming in your store when it comes to frozen novelty this summer. Three key locations to place promotional materials: in the window, on the door and on the ice cream case.

All work to build impulse sales.

Additional ways to grow sales include keeping your freezer clean by eliminating any ice build up, keeping products fully stocked and pricing all items or posting a list of prices near the freezer. The extra category focus will pay off in profits. Frozen novelties offer a high register ring and a high margin ring as well.

*Additional frozen novelty insight on p.8.*





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