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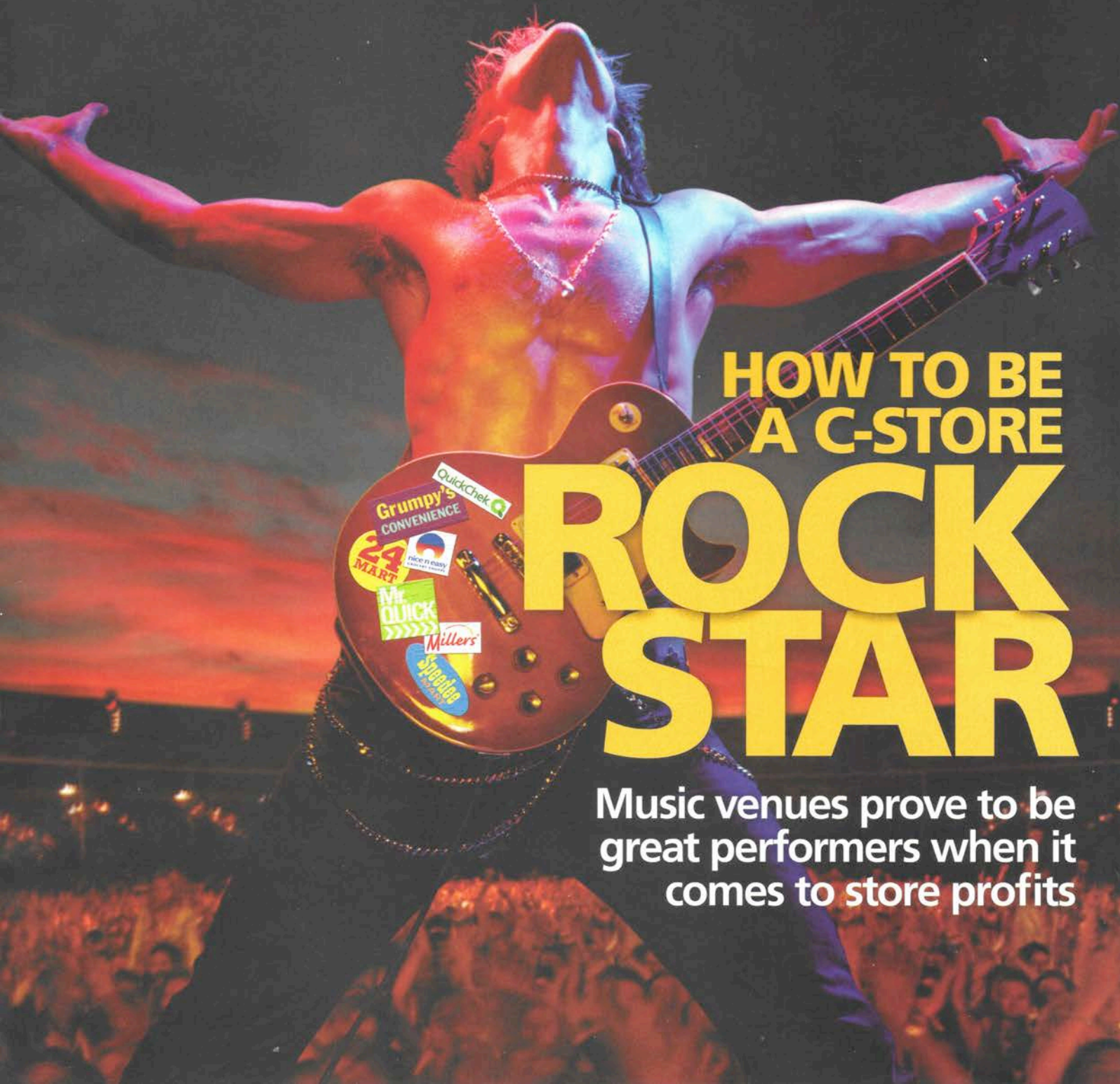
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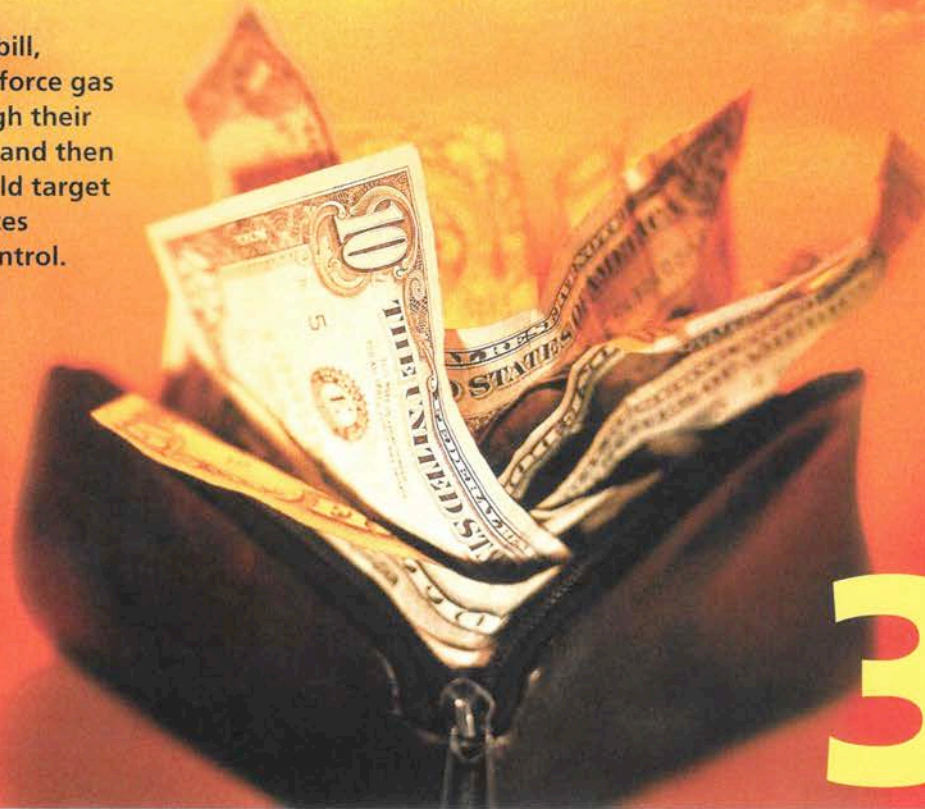
HOW TO BE
A C-STORE

ROCK STAR

Music venues prove to be
great performers when it
comes to store profits

Via the climate bill, Congress could force gas prices up through their "cap" program, and then prosecutors could target retailers for prices beyond their control.

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\$OLID GOLD

*Mega events bring in huge sales
for retailers in their path.*

BY MICHAEL KLEIN





Americans can't wait for summer.

And one of the surest signs of summer is the outdoor music and arts festival. Including state fairs, more than 2,500 festivals will be dancing, singing and performing their way across North America this summer — from the headline-grabbing Bonnaroo Music and Arts Festival in Tennessee to the less traditional Burning Man in the Nevada desert, and everything in between.

In addition, there are more than 100 bands on tour this summer — many of which will shed the confines of the traditional sports arena and head outside to fairgrounds, racetracks and stadiums near you.

Millions of Americans will go to these shows, and they'll all be hungry and thirsty. The question is: Where will they stop for refreshment? Will they pay exorbitant prices inside the venue? Or will they plan ahead and hit the convenience store closest to their destination?

Convenience stores can and should capitalize on special and seasonal events nearby to boost sales and expand customer loyalty. Here's a look at how...



Miller Food Mart brought in beer trucks during a weekend of concerts for musical group Phish and parked them on store lots.

» "Smells Like Teen Spirit"

Special events can take many shapes and come in many sizes. There's the modest — the Barbershop Harmony Convention in Anaheim, California, in July this year drew about 10,000 participants. And there's the traffic-bending — Woodstock 1999 drew 200,000 participants to an airfield in upstate New York, and everything in between.

The key for you is to know what events are coming to your area. If you are located near a typical concert venue, keeping tabs on the happenings there is simple enough — a quick check on the Internet will reveal the schedule of upcoming events. But festivals and other special events might require a little more digging.

"We encourage the store managers to be aware of what is going on in the areas around them," said Jeff Miller, President of Miller Oil Co. and Miller Mart in Virginia. "It's being involved in the community and being aware of what is going on, and I think that is something we as an industry do best."

Miller operates stores near concert venues, such as the Hampton Coliseum in Hampton, Virginia, and college campuses. Store managers make it a point to look at the schedule of upcoming events and plan accordingly. "We've been caught off guard in the past," said Miller. "I don't remember specifically what the event was, but we got slammed and totally missed it. That was when we said, 'We've got to get on top of this stuff and start paying attention.'"

"Get Ready for This"

If you operate multiple stores in an area, identifying the store most affected by events is important so you can make the proper adjustments.

In 1999, the Woodstock festival came to Rome, New York. Nice N Easy Grocery Shoppes operated 60 stores in the area at the time. Figuring out which one would be the unofficial Woodstock 1999 store was a challenge. "We knew some of the stores would get clobbered, but one of them was going to be *the* prime location. Because there

Side Notes

"My Name Is Not Susan"

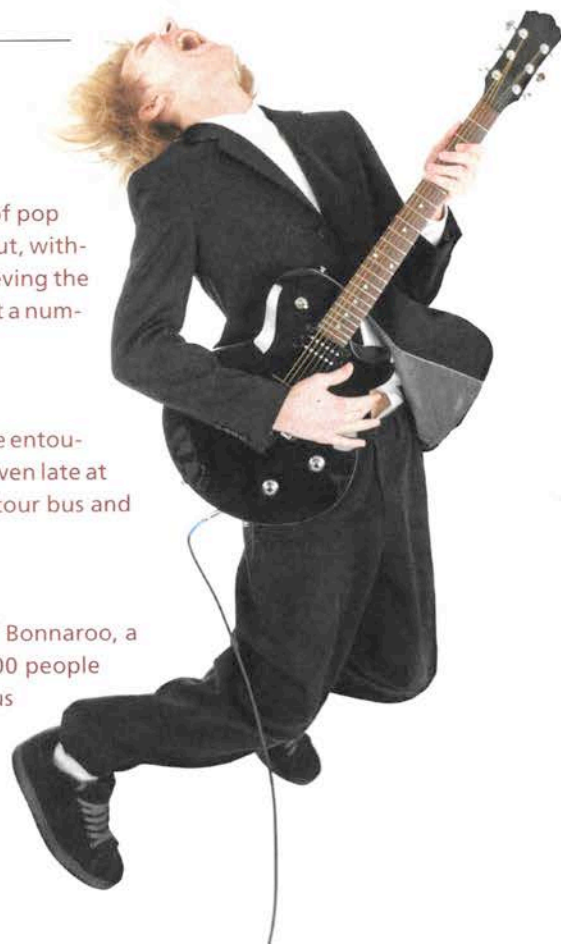
New Jersey-based Quick Chek operates a neighborhood store near the home of pop diva Whitney Houston. One evening the superstar came in to buy some items, but, without make-up, lights and a microphone, the sales associate had a hard time believing the customer was, in fact, Whitney. The proof was in the pipes — Houston belted out a number and there was no longer any doubt she was who she said she was.

"Places to Go"

A New York-based Nice N Easy store got a visit from rap star 50 Cent and his whole entourage after an area show. Surprised by the full range of food offerings on hand, even late at night, 50 and his crew spent about \$500 on snacks and drinks, loaded up the tour bus and moved on down the road.

"You Can't Always Get What You Want"

Tennessee-based Quik Mart did gangbuster business for the first few years of Bonnaroo, a multi-day music and arts festival in Manchester, Tennessee, which drew 75,000 people this year. Then you-know-who squeezed them out. "It was a fantastic event for us in the first few years," said company president Jonathon Edwards. "Then Walmart came in and everyone goes there and camps out in the parking lot. Bonnaroo is a non-event for us now."



were so many different [routes to the venue], we weren't sure which one it would be," said Senior Executive Vice President Fran Duskwicz.

As festival-goers started showing up, Nice N Easy quickly realized it was their Verona store, right off the Thruway, and 10 miles from the venue, that was going to get crushed. "Once we realized that was the epicenter, we had the drink suppliers leave us refrigerated trailers with product because we couldn't fit it inside the store," said Duskwicz. "We didn't know what we'd go through, and the suppliers couldn't keep running in and out because of traffic, so they left us the trailers and agreed to bill us afterwards."

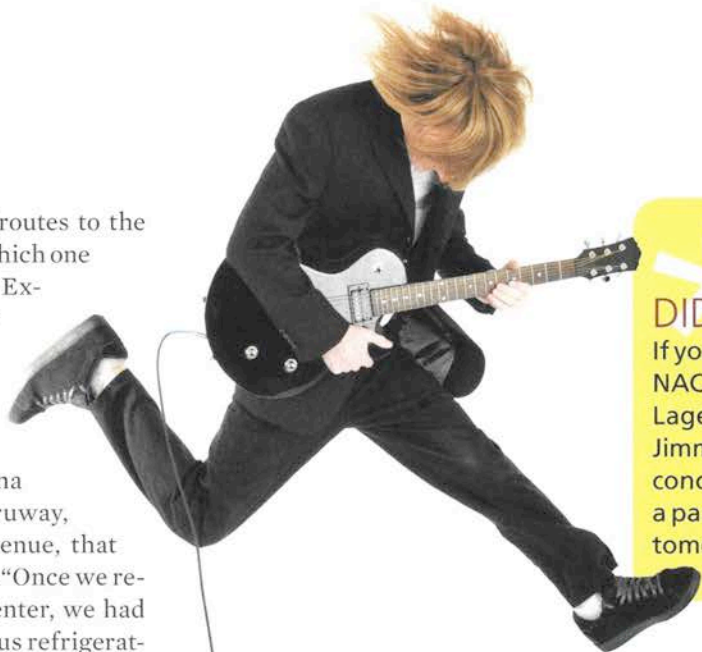
Having your suppliers leave refrigerated trailers on site is a great option if your store isn't large enough to handle the extra inventory a sustained crush of customers could require. Suppliers like it too because they can keep your shelves and coolers stocked without having to run back and forth to your store multiple times a day.

Miller Food Mart brought in beer trucks during a weekend of concerts for musical group Phish and parked them on store lots. They didn't sell product out of the trucks, but did use them to ensure they didn't run out of stock.

Miller also put other suppliers on notice and scheduled extra ice deliveries throughout the weekend. And with the Phish crowd hanging out for the entire weekend, the plan worked. A big part of that success was knowing a bit about Phish fans in general — that they were likely to turn the area outside the concert venue into a weekend-long tailgate-style party and they'd need to hit the convenience store repeatedly.

"Who Are You?"

Once you've identified the event in your area, and the store that's going to be busiest, the next step is to figure out just who is going to show up and what they



DID YOU KNOW?

If you are a retailer attending the NACS Show and sell Land Shark Lager, you may be in for a treat. Jimmy Buffet will play a special concert during the NACS Show at a party for Land Shark Lager customers on Oct. 22.

"Bad Reputation"

Convenience stores and gas stations make many appearances in popular songs. Unfortunately the references are rarely good. But, if you're like Joan Jett and don't really care about your bad reputation, then take a look at these convenience store mentions in some famous songs.

Jimmy Buffet wrote at least twice about convenience stores and gas stations. Sadly both songs, "The Great Filling Station Holdup" and "The Peanut Butter Conspiracy," are about robbing the places. He probably doesn't endorse robbery — and certainly hopes his fans pay for his Land Shark beer.

Heavy Metal rockers **Dokken** wrote a song called "Convenience Store Messiah," but neither the album nor the song are considered very good by fans. The song is about a night shift convenience store worker who is kind to people. Could he be "a real convenience store messiah, turning bottled water into wine"?

Indie-reggae rockers **Jaya the Cat** wrote a song about working in a convenience store called, "Convenience Store." The singer croons about how happy he is that he doesn't work there anymore, and the way he describes a typical shift of stealing, dealing drugs and working drunk and high, it's probably best that he's a full-time musician now.

Canadian folk rock duo **The Cash Brothers** also may have drawn on real-life experience working in a convenience store to write their song "Night Shift Guru." They sing about stocking the shelves at night and watching the parade of late night "odd" customers.

The Clash, Bruce Springsteen, Green Day and **Billy Idol** all wrote lyrics about gas stations or convenience stores — perhaps because the stores are so much a part of our daily lives it's hard for a musician, chronicling life, to ignore them. But for something as important in our lives and society as a gas station and convenience store, you'd expect the musicians to be more appreciative.

The **Bouncing Souls** certainly appreciate convenience stores — or at least the employees. They perform one of the more positive songs I came across: "Quick Chek Girl." About the singer's love for a girl working at his local Quick Chek, the song is supposedly based on an actual Quick Chek employee. At any rate, the real Quick Chek in New Jersey approves, and has the video on the company's Facebook page.

Have a favorite convenience store song or lyric we missed? Let us know — we'd love to compare "notes."

"Smarty Pants"

If you realized that the subheads in this article are all song titles, maybe you should have gone into radio. In case you want to pursue that second career, here are some liner notes on the songs:

"Smells Like Teen Spirit" – Nirvana, *Nevermind*, Written by Kurt Cobain, Krist Novoselic, David Grohl. Considered by many to be one of the best rock songs and music videos of all time, co-writer and band drummer Grohl was once asked about the deep meaning of the lyrics that many thought came to define a generation. He told *Rolling Stone* magazine he didn't believe there was a deep meaning, "...you need syllables to fill up this space or you need something that rhymes." So much for that. The video for "Smells Like Teen Spirit" was directed by Samuel Bayer, who has directed more than 100 music videos, including Green Day's "Jesus of Suburbia" — set largely in a convenience store.

"Get Ready for This" – 2 Unlimited, *2 Unlimited*, Written by Phil Wilde, Jean-Paul De Coster, Raymond Lothar Slijngaard. This dance song from 1991 by the Eurodance/Rap group became a staple in sporting arenas around the world and was used to great comic effect in the cheerleader film *Bring It On*.

"Who Are You?" – The Who, *Who Are You*, Written by Pete Townshend. Twice the lyrics use a word you can't say on the radio (it starts with "F") and yet the song is frequently played on the radio.

"With a Little Help From My Friends" – The Beatles, *Sgt. Pepper's Lonely Hearts Club Band*, Written by John Lennon and Paul McCartney. We wouldn't have used the song here if it had been published with its original title, "Bad Finger Boogie."

"Hungry Like the Wolf" – Duran Duran, *Rio*, Written by Duran Duran. MTV's heavy rotation of the *Raiders of the Lost Ark*-inspired music video helped launch the pop group in the United States. The video's director, Russell

Mulcahy, went on to direct many more music videos and films, including 1993's *The Real McCoy* starring Kim Basinger. That film features a botched convenience store robbery — the hapless clerk turns the tables on an inept Val Kilmer while Basinger, fresh out of prison, micro-waves a burrito and watches.

"More Than This" – Roxy Music, *Avalon*, Written by Bryan Ferry and Andy Mackay. This much-covered 1982 song makes an appearance in the video game *Grand Theft Auto: Vice City*, and is the song Bill Murray sings at the karaoke bar in *Lost in Translation*.

"My Name Is Not Susan" – Whitney Houston, *I'm Your Baby Tonight*, Written by Eric Foster White. The song, from Houston's third album, is about a woman whose boyfriend calls her by his ex's name, Susan. In the music video, Houston played both girls.

"Places to Go" – 50 Cent, *8 Mile* Soundtrack, Written by Marshall Mathers, C. Jackson, L. Resto. 50 does have places to go, just as he did the night he stopped in to the Nice N Easy. In the song he sings about selling all kinds of things — none of which are available in a typical convenience store.

"You Can't Always Get What You Want" – The Rolling Stones, *Let It Bleed*, Written by Mick Jagger and Keith Richards. Not a perfect motto for convenience stores but not too bad either: "You can't always get what you want, but if you try sometimes well you might just find, you get what you need."

(And "Smarty Pants" was a hit single from the disco girl group First Choice in 1973.)

like to buy. Success depends on establishing this temporary, but vital, customer profile.

People going to see a Bruce Springsteen concert aren't the same people going to see Phish. And they're not necessarily the same people going to a jazz festival. People with different interests will likely be drawn to different products. If you aren't prepared, you'll lose out on sales.

Duskiewicz says Nice N Easy learned this lesson the hard way during Woodstock '99. "We had a tractor trailer full of cold carbonated products but [attendees] didn't go for that at all. All they bought was water and isotonic drinks like that. Which really, back in '99, gave us one of our first insights into that particular demographic and how much they were skewing away from carbonated beverages."

Nice N Easy used this on-the-spot market research to make shifts beyond the three days of the event. "After Woodstock '99 we reset our coolers pretty much across the board to feature those other drinks," said Duskiewicz. "And that was the impetus for today where our stores have 16-foot open-face coolers that are full of nothing but these alternative drinks."

In addition to knowing the profile of your new customers, you also need to know about the event itself. "You need to understand what the event will allow on site," cautions Duskiewicz. "If it's very clear that they don't allow bottles, like our fairgrounds, going overboard with 12-packs of bottles is not going to work. In our market, we are normally very orientated toward 12-pack bottles, so when we have these events, we shift and bring in displays that feature cans."

Duskiewicz says Nice N Easy's suppliers are very understanding of these situations, and not only will they bring in specially themed displays, but will often credit the store for unsold product afterwards, if it's something the store doesn't usually stock.

Suppliers are also a good source of demographic information for special

events. In many cases they sponsor music tours and festivals — they know exactly who's coming to the event. After all, they've spent a great deal of money to find the right entertainment partners.

Your own employees can provide valuable insights into the crowds as well. "We have such a wide variety of people working for us, we can find a fan of any type of band coming through the area," said Duskiewicz. "One of our employees is a big Dave Matthews Band fan — he knows what the fans like. When the band came through recently we just loaded up on Labatt Blue. And it was right. Another employee is a headbanger, so when a metal tour comes through, he knows the bands, he knows the fans, he knows what they are into."

But all the market research and inside information in the world won't necessarily prepare you for every customer profile. Sure, Nice N Easy knew when funk-alternative rockers Phish came to town they'd sell tons of beer and cigarettes — mostly Camels — but the foodservice staff wasn't prepared for every customer.

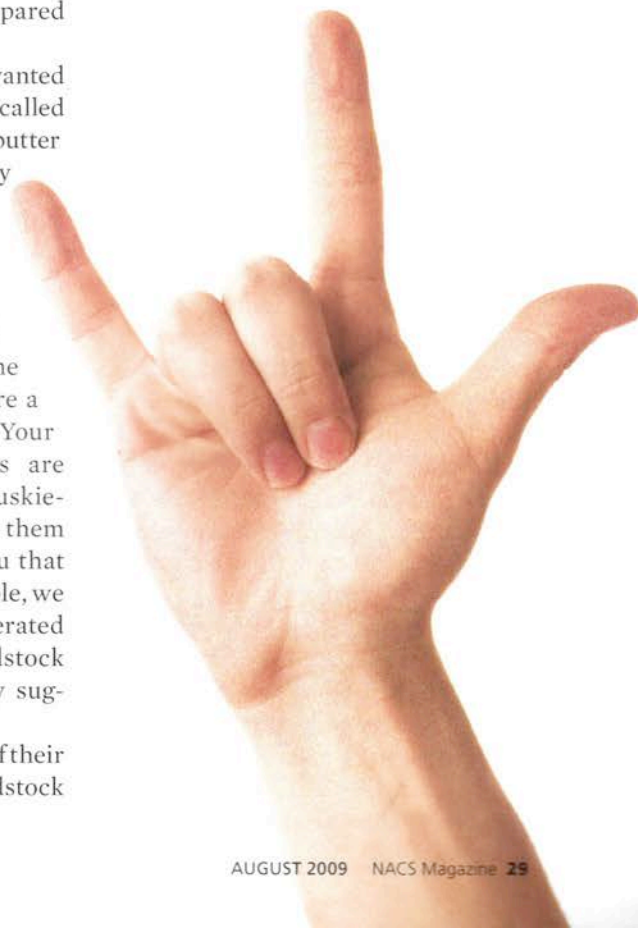
"We had one guy who really wanted peanut butter on his pizza," recalled Duskiewicz. "So we put peanut butter on his pizza and he was a happy camper."

"With a Little Help From My Friends"

Special events call for special preparations. And flexibility is the refrain. Again, your suppliers are a good resource for information. "Your beer, soda and drink vendors are schooled in big events," said Duskiewicz. "It's important to talk to them because they'll do things for you that you hadn't thought of. For example, we didn't anticipate having refrigerated trailers left at our store for Woodstock '99 — that was something they suggested."

Nice N Easy also moved most of their operation outside for the Woodstock

The small store typically pulled in \$15,000 during a three-day stretch in 1999. The three days of Woodstock '99, the store conducted \$100,000 in business.



event. "We treated it like a huge grand opening, almost a big yard sale," explained Duskwicz. "A lot of these kids didn't have credit cards, so we went to full service on the gas so our inside people could focus on selling things. It kept things moving well."

And move they did. The small store could typically pull in \$15,000 during a three-day stretch in 1999. The three days of Woodstock '99, the store conducted \$100,000 in business.

And they didn't do it by gouging customers — a charge leveled against the event's organizers, which caused the festival to erupt in riots by the end.

"We didn't change our prices," said Duskwicz proudly. "These kids bought a whole pizza from us for \$8.99, or whatever it was, and then they got on to the site and saw these prices — \$6 for a bottle of water, \$5 for a single slice of pizza — they knew where they had stopped on their way into town, and they kept making that 10-mile drive to come back to us, because they knew they could get good food and not pay ridiculous prices."

Nice N Easy also kept things moving by bringing out their whole office staff to help that store. Even John MacDougall, company founder and president, was pumping gas through the weekend.

"Hungry Like the Wolf"

People heading into events are often looking to load up on food too. Keeping up with demand can be a challenge.

"We do a lot of pizza anyway, but the number of whole pies we went through [during Woodstock] was incredible," said Duskwicz. "We were boxing them and just handing them to people. If we were to do something like this again, I think we would make sure we brought in a second or third conveyor to keep those pizzas going."

And it's not just when people are on their way to an event that sales happen.

"You have to think about them leaving the place just as much as you do them going in," reminded Duskwicz. "A lot of people leaving a venue with the munchies? That is right up our alley."

"More Than This"

Although summer concerts and large festivals have the ability to drive a great deal of traffic your way, there are other special or seasonal events in your community that can increase business, if you're paying attention.

New Jersey-based Quick Chek is a name sponsor of the New Jersey Festival of Ballooning, the largest summertime balloon festival in the country. It attracts more than 100,000 people for a long weekend and Quick Chek actually builds a full store on site each year.

"We build a 4,000- or 5,000-square-foot store," said vice president of sales and merchandising John Schaninger. "We do our full sub offer, our full coffee offer, burgers and our proprietary iced

"A lot of people leaving a venue with the munchies? That is right up our alley."



coffee, and of course, milk shakes and other cold drinks."

Schaninger says Quick Chek, which already has a very loyal following, uses the festival to help brand the company. They achieve this, not only through their food offerings, but also with the family entertainment tent they sponsor, which brings in popular musicians. In 2007, the event featured an up and coming boy-band that most, if not all, teenage girls are now familiar with: The Jonas Brothers.

If you are near a college campus, think about new student orientation — usually in August and September — as a great time to brand yourself with kids who could become loyal customers for the next four (or five) years. There's also homecoming and other major sporting events in the fall and winter, and of course, commencement in the spring.

Soccer's 2010 World Cup will be contested in South Africa, but there will be qualifying matches in Utah and Washington, D.C., later this year — and thousands of fans will clog stadiums and parking lots in the days leading up to these games.

And if you operate in the Pacific Northwest or Vancouver, British Columbia, you know the Winter Olympics are coming next February. Millions will attend, and if you are in their path, make sure you have enough hot chocolate and hand warmers in stock.

The bottom line is that special events — concerts, festivals, sporting and other life events — can offer a big boost to your business. You just need to know what's happening, and be ready to think and work outside your box.

Talk to your suppliers about events and who might be going, and don't forget to give your employees a chance to help with planning — chances are some of them were going to the show too. Like The Steve Miller Band sings, "Go, Go, It's a golden opportunity." **NACS**

Michael Klein is a freelance writer in Northern Virginia. If you see him "In Da Club," feel free to buy him "One bourbon, One scotch, One beer." He can be reached at michael.klein18@verizon.net.