



GHRA In Action

OUR MEMBERS ARE OUR MISSION! VOL. 9 | JANUARY 2022

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abc 13 *Share Your*
HOLIDAYS
 Benefiting the houston  **foodbank**



**ABC13 SHARE
 YOUR HOLIDAY
 FOOD DRIVE**

GHRA CEO, Brian Trout, along with GHRA Board of Directors attended a food drive at the Ismaili Center in Houston. GHRA showed their holiday spirit through a food donation to the 41st annual event. Those experiencing food insecurity could reserve a special holiday food box.





A NOTE FROM THE CEO

BRIAN TROUT, CEO

Greetings Members,

Happy New Year and welcome to 2022! I hope you all had a fabulous holiday season with lots of family time. Ringing in the new year brings excitement for the possibilities of the year and of course new resolutions. We all start looking forward to good things to come. Recently, GHRA held town halls with the members to discuss the state of Convenience Store Industry and the strategic plans to grow GHRA into the future.

We are all very excited for the future of GHRA and the plans we have in to increase our presence in the marketplace with a new convenience store brand that can be used at member stores. Launching a brand is a big undertaking and we have been hard at work developing the brand, the standards, and the road map for implementation in the market. We look forward to sharing this with you in the first quarter of 2022.

We will be kicking off the cooler reset process in January and the new Member Services Team is ramping up for the effort.

I am very much looking forward to working with you and the GHRA team to increase the value you receive for being a member of GHRA.

Wishing you continued blessing.

Sincerely,

Brian Trout

OUR MEMBERS ARE OUR MISSION!



NACS Show Rewind: *The Glories of Food Sampling*

By Convenience Store News

CHICAGO — A food sampling program can be an effective way to create an overall food brand and strengthen perception of convenience stores as a foodservice destination, according to Jerry Weiner, industry consultant and the convenience channel veteran who built the foodservice program at York, Pa.-based Rutter's.

Offering free samples can help c-store operators meet their own raised expectations, and create an opportunity to showcase items not anticipated in the store, according to Weiner, who discussed the benefits of sampling during the "Food Sampling Techniques & Why They Work" education session at the recent 2021 NACS Show.

"Use sampling to wow your customers with something unexpected," he said.

For operators who are just beginning their foodservice program, Weiner recommends they start sampling during the breakfast daypart.

"It's the easiest daypart to execute, the fewest SKUs to manage, and the most likely to be competitive with QSRs," he said. "You can create items that can compete with McDonald's or Burger King. You have that customer in your store, let's say, getting your coffee. There's a way to appeal to them and if you do, you'll own that customer."

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Sampling should be viewed as a marketing program with the labor costs expensed accordingly. Weiner advises creating a schedule of two rotating sampling days per week and setting aside two hours on each of those days for sampling. He believes this is a way to generate interest without placing too much burden on the operator.

"Estimate the cost of food you think you're likely to give away during the sampling period and, most importantly, always track results," he said.

A well-executed sampling program can significantly impact growth and profitability. C-stores can expect faster trial of new items, a ramp-up of units per day on limited-time offers, and a 20 percent or higher lift on the sampled items sold on that day, according to Weiner.

"The vendor community will work with you when they realize you're doing this seriously," he said, "because sampling works and they know it." ■



Five Hiring Trends for the New Year

By Ready Training Online

There's no doubt that the last couple years have altered many aspects of business, including how to recruit and hire talent. With staffing being a major issue for many organizations right now, it may be time to think outside the box in order to find the right candidates to fill your open positions. These hiring trends will get you off to a good start.

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Change is inevitable, and you can't keep using the same methods if you want a successful hiring program. Here are the five top hiring trends to embrace in the new year.

1. Invest Time in Social Media

Social media has become the main source of information and communication for many in recent years. This is how jobseekers learn about job opportunities and research the companies to which they are applying. In return, recruiters and hiring managers can learn more about a candidate by reviewing their social media profiles.

2. Diversity is Key

Diversity is not just a trending topic in the media; it has become the number one concern for a large percentage of jobseekers and cannot be ignored. Additionally, diverse workplaces are often associated with increased productivity and innovation. Factoring diversity into your hiring strategy will not only help you attract and hire qualified candidates, but it will ultimately benefit your organization in the long run.

3. Focus on Corporate Branding

When it comes to corporate branding, your target audience is no longer just your prospective customers. Jobseekers are becoming much more concerned about the corporate image of the companies they are applying to. They're not just coming into interviews blindly – they're doing research online and through social media, and they're evaluating you as much as you're evaluating them. You need to make a positive impression through your branding before you even meet prospective candidates.

4. Increase Flexibility

The ability to be flexible in the face of challenges is what has helped businesses to thrive in the past couple years, and now jobseekers are searching for positions that will grant them the flexibility they desire – whether it's flexibility in work hours, working remote vs. in the office, or with paid time off. Embracing flexibility within your organization demonstrates an interest in the well-being of your employees.

5. Upskilling Your Workforce

Training your current employees in new skills and promoting from within saves time and money over hiring new employees. It also demonstrates an investment in your current employees and will help you maintain their loyalty and trust. Jobseekers are looking for positions with opportunities for growth, so a hiring plan that includes promoting from within will help you bring in the talent you need and train them for the future. ■



Utilizing Allyship as a Tool in the Workplace

A recent *Convenience Store News* webcast explored why allyship is important and how c-store retailers can join the conversation.

By *Convenience Store News*

CHICAGO — The business benefits of diversity and inclusion efforts vary by company, but globally, industries understand they cannot afford to squander opportunities to do right through implementing effective DEI (diversity, equity, inclusion) practices.

One key part of the DEI equation is tackling the subject of allyship — the importance of getting non-minority leaders on your side to successfully implement an authentic and meaningful diversity program at your company.

A recent webcast hosted by *Convenience Store News* and the *CSNews* Diversity & Inclusion Advisory Board explored the critical components of allyship, including what actions companies can take to advance the effort, how to recruit allies to effectively promote allyship, and how to foster productive conversations about differences.

Allyship in Action

All companies are not at the same place in their DEI journey.

At Alimentation Couche-Tard Inc., the parent company of Circle K, Chief People Officer Ina Strand acknowledges that the retailer began its journey a little late. Strand was brought into her role four years ago to advance gender equity.

She immediately helped establish an executive advisory board. Comprised of 50 percent men and 50 percent women, the board pledged to support DEI efforts across the company and set forth an internal mission for Couche-Tard

to look more like the communities it serves, as well as its workforce.

Then, last March, Laval, Quebec-based Couche-Tard announced that its President and CEO Brian Hannasch had joined the CEO Action Pledge, a coalition of CEOs committed to advancing diversity and inclusion within the workplace. Couche-Tard became the first c-store retailer to join the initiative. To go along with this pledge, the retailer launched an internal global campaign, titled “Together we make a difference,” where all employees had an opportunity to join Hannasch and make their own personal “I ACT On” pledge.

“I took the pledge,” said Strand, whose native country is Norway. “What I’ve seen in Europe and North America is that if you really want to create change, you have to have everyone involved and represented. As an ally, it’s about engaging, listening, and trying to learn.”

In the distributor realm of the convenience channel, Elmwood, La.-based Imperial Trading Co. LLC has made sure to involve the younger generations in its DEI efforts.

For example, Imperial Trading President and CEO Wayne Baquet approached Marketing Manager Stacy Matthews with an initiative called the “Sun Shines For All,” which focuses on minority groups. Members of the task force were comprised of the executive team’s children who are currently in the workforce.

“The idea behind this was twofold: One, they work for progressive companies to benchmark ideas; and two, we learn how much influence the younger generation has on those at Imperial and ultimately who are the allies that we desire to have work for us,” Matthews explained, noting that Imperial has two Black executives in leadership — Baquet and Chief Marketing Officer Emile Cantrell; no other wholesaler in the industry has this unique makeup.

Building Inclusiveness

Technology can be used as an enabler of diversity and inclusion, Steven Kramer, co-founder and CEO of WorkJam, a frontline digital workplace platform, noted during the CSNews webcast. According to the executive, WorkJam has a diverse workforce based in Montreal, which is a diverse city. As part of the company’s DEI efforts, it builds inclusiveness into the organization’s values, flowing this mission from the top down.

“We take a stand on issues. For example, we send companywide emails reaffirming values on inclusiveness. We also built collaboration software to use internally to keep channels open between team members to discuss things that happen outside of work to bring them together and build community,” Kramer explained.

“It’s more than members talking to each other who may not have worked together because they work in different departments, but it’s people from all different backgrounds talking about their experiences,” he added. “This builds a sense of community within the organization, and we’re proud to have technology that enables our customers’ frontline workforce to do the same thing.”

iSee Store Innovations, which was “founded by three old white guys,” is likewise evolving the company’s conversations to be more inclusive of culture and ethnicity by listening and learning, according to founding partner and CEO Joe Vonder Haar.

The 28-year Anheuser-Busch veteran noted that when women began joining the iSee executive team, inclusive conversations surrounding childcare and accommodations for mothers became integral. Now, those conversations are progressing.

“We’ve grown from being founded by three old white guys to a team of 18 so, by definition, we’re diverse on age and diverse in gender,” Vonder Haar pointed out. “We’re not quite 50/50, but we have women running operations and marketing, so it’s time for us to purposefully and actively add cultural and ethnic diversity to our company.”

Taking Action

The 36 Lyn Refuel Station in Minneapolis, the city where George Floyd was murdered, sees customers from all walks of life and prides itself on being the “Cheers” of the convenience store industry, where every employee knows the guests’ names.



In order for this symbiotic relationship to work, communication is key among the station owner, team members, vendors and suppliers.

“It’s fun to engage in discussions with my staff or potential frontline employees, as well as engaging with vendors and suppliers, about issues that are important to me and the industry, and also different groups that we’re collaborating with to identify allies early on and to identify the goals we are trying to accomplish,” expressed Lonnie McQuirter, owner and director of operations for 36 Lyn Refuel Station. “There has to be a level of trust between my customer and me, my community and me, and my staff and me.”

When asked what actions companies can take to advance allyship, the panelists said:

- “Just get started. Don’t be afraid to open your mouth. You have to start the conversation at some time, no matter how vulnerable you feel. We have to have these conversations to have a better tomorrow.” — McQuirter
- “Invest in people at all levels of the company. When employees feel valued, they align their focus with the values of the company. Some of the most effective solutions aren’t even designed with allyship in mind. I find that when initiatives are more organic, you get less resistance because if it doesn’t feel forced, it will increase the likelihood of it becoming successful.” — Matthews
- “Be purposeful in what you do and be transparent to create alignment up and down the organization.” — Vonder Haar
- “WorkJam technology was designed to bring people together and communicating. We say that communication equals respect.” — Kramer
- “Educate. At the end of the day, we think of the word ‘ally’ as more of verb because it’s something you do, and these are actions that speak more than words.” — Strand

“The Importance of Allyship” webcast was sponsored by Altria Group Distribution Co., The Hershey Co., and WorkJam. This marked the second webcast in CSNews’ multitouch digital and print program that is focused on the business case for convenience store retailers to place a greater emphasis on diversity and inclusion. ■



The Art of the Steal

Minimize employee theft by letting your staff know that you're paying attention to the details.

By Convenience Store News

We have a lot to learn from George Clooney's life of crime.

As you may remember, Mr. Clooney starred in the remake of "Ocean's Eleven" and several sequels, as well as not appearing in "Ocean's 8" (the one with Sandra Bullock). In these movies, Danny Ocean (Mr. Clooney) is a criminal mastermind who is always coming up with elaborate and complicated schemes in order to steal items from someone else.

Now, let's put aside, for the moment, that Danny Ocean supposedly has a heart of gold and would only rob those who were deserving of it. What I want to concentrate on is that, in the movies, you always thought he had been caught, until he came up with a twist to get away with it. This is not dissimilar to what happens in our stores when we are dealing with in-store theft. I'll explain more about that in a moment.

According to the 2020 NACS *State of the Industry* report, store "shrink" (which includes theft and breakage) averages about \$12,700 per store per year. That is money that would go straight to the bottom line — if it stayed in the store.

The reality is that no matter how good your customer service is, how effective your marketing programs are, or how pristine your store looks, there will be product that is either being consumed in the store or walking out of the store without being paid for.

The 2018 *National Retail Security Survey* published by the National Retail Federation stated that 33.2 percent of merchandise shrink is related to employee theft. (The other reasons are shoplifting, 35.7 percent; administrative/paperwork errors, 18.8 percent; vendor fraud, 5.8 percent; and unknown, 6.6 percent).

How do we handle this, and what actions can we take?

This is where I come back to Mr. Ocean and his schemes. In the movies, every time the authorities thought they had come up with a plan to catch him, he introduced a new element to keep them off-balance. Basically, the thieves are always one step ahead of the good guys. This is true in your store as well.

So, let's address employee theft first (and let's be clear — this is stealing). We have tried a lot of different programs over the years to control employee theft. To clarify our definition, employee theft is anything that is removed from the store that's not accounted for. That means it was either consumed and not paid for, or it was not written off as bad merchandise. Examples of this can range from someone putting a pack of cigarettes in their pocket and walking out, to eating food and not paying for it, to under-ringing a sale.

To be honest, we are never going to completely stop employee theft. All we can do is try to minimize it. The best way to do this is to let your store team know that you are keeping track of what is happening in the store. We try to do this in the following ways:

Store Paperwork

Keep all your store paperwork up-to-date and in order. If you have a good system of tracking sales, purchases, bank deposits, credit-card receipts and bad merchandise, you will send a message to your team that you're paying attention to the details.

It will be up to each shift leader and the store manager to make sure everything is accounted for and that it all balances. If the staff knows you're taking the numbers seriously, they will be less likely to create a situation that will show up in the paperwork.

Unfortunately, that also means they will work harder to cover up anything that is taking place in the store. Therefore, you need other tools to keep track of what's happening with your store merchandise.

Regular Counts

We do a store inventory count every 30 days to see what our monthly inventory shrink is. We use an outside auditing company to perform this task to make sure we are getting an unbiased number. The store managers are held responsible for the inventory results and if there is a significant problem, we take corrective actions with the staff.

We also do cigarette counts either daily or by shift, depending upon our levels of sales or problems at the store. Keeping count of the inventory, as well as keeping excess tobacco inventory tightly locked up, helps us control our most valuable products.

The advantage of doing a count by shift is that we can start to pinpoint when problems are happening as soon as

possible, and start taking corrective actions. It is unlikely that one shift lead will cover for another one or, at least, be able to do it consistently over time.

Surveillance

We also use CCTV and let our employees, and customers, know they are being recorded. We believe that having video is a deterrent — people are less likely to steal if they think they are being watched. But it is not a complete solution. All you have to do is watch some of the shoplifting videos on YouTube to see what happens in the store — even when people know there are cameras in the store and the owners are posting the videos on the internet.

Frankly, we don't use video to discover theft because we do not find it cost- or time-effective to watch hundreds of hours of video per store in the hopes of catching someone stealing something. Instead, we use video to investigate problems at the store once we become aware that we have a problem through our use of the other methods.

In all cases, we try to discover the problem as quickly as possible, investigate thoroughly to gather all the information we can, and then work to remedy the problem as quickly as possible either through counseling, repayment or termination. It's important to not let employee theft go on any longer than necessary because all it is doing is costing you money.

Remember, just like Danny Ocean, your staff is always going to be one step ahead of you. Always keep your eyes open and look out for new and inventive ways people can steal from you. Listen to stories you hear from others in the industry to get insight about new tricks and strategies.

Watch out for any pattern of unusual things. For instance, pennies being kept on the register as counters (to keep track of how many sales weren't rung up), regular "no sale" transactions (sales where the cash went into the pocket and not the POS), or staff refusing to work different shifts (because it will expose the fact that they have been under-reporting sales).

I don't mean for this to sound overly paranoid, but a good dose of realism is always helpful. Other tricks to look out for are "sweetheart deals," where friends and family get an unofficial discount, merchandise that is written off as damaged when it's taken out of the store, or "inventory padding" when items aren't checked in properly and are put on the shelf to replace product that was stolen.

Unfortunately, the list goes on and on. That is why it's so important to find good people, train them thoroughly, pay a decent wage, and instill in them a sense of pride in their store and your company by treating them well and showing your appreciation.

The best defense against a dishonest employee is an honest one. ■



A Win-Win Partnership

Sharing data, asking the right questions and utilizing technology can help small operators better work with their wholesalers and suppliers.

Adapted from an article by Convenience Store News

Being an independent or small-chain operator in the convenience store industry alongside large chains that operate hundreds — or in some cases, thousands — of stores has its challenges. Because they don't have the scale of their larger counterparts, and also lack visibility, it can be harder to capitalize on wholesaler and supplier partnerships to increase profitability and success.

"With 100,000 different independent and small operators, it can be harder for suppliers to access them, and tough for the retailer to get the visibility from suppliers to create an impact and extract value," said Jamie Hudson, senior vice president and general manager of offers and insights at PDI Software, based in Temple, Texas.

According to Lynn Swanson, director of sales, mass markets for McLane Co. Inc., small chains are less likely to

have in-house expertise when it comes to marketing and merchandising compared to the larger chains, so they need to look outside for help from wholesalers, suppliers, buying groups and more, noted Ed Burcher, a partner with the Business Accelerator Team, based in Phoenix.

However, while there are challenges to being small in the c-store industry, there are also benefits. One of the biggest is being able to make changes quickly, and be faster to implement and try new products vs. the larger chains, said Swanson.

"Smaller c-stores typically have less red tape than a large chain regarding the direction and decisions flowing from the top of the organization," she explained. "In addition, something new requires a smaller investment and allows for more flexibility."

Independent and small-chain operators also tend to be more familiar with their local customers and more in touch with their needs, allowing them to personalize their business and even identify their niche in the market.

The good news is there are suppliers and wholesalers who work with smaller chains and may have a lot more to offer than operators realize. It all comes down to collaboration and give-and-take.

For example, if available, giving suppliers and wholesalers data from the store level can help them gain visibility into that store or chain and provide better advice and solutions — and in some cases, even rebates available to the larger chains, said Burcher.

Data, Rebates & Turnkey Programs

With a smaller team of employees, many small operators lack the experience and dedicated resources that larger chains have, whether it's marketing, purchasing or overall category management. This is where wholesalers and suppliers can be helpful outside of simply supplying product to the store.

“Many small chains may not have the expertise in certain categories and are better off letting someone from the outside help them,” Burcher said. “Suppliers and wholesalers can bring them data and research to help make better decisions based on what is going on in their market. It's critical to find the right partners, and wholesalers are a great place to start because often they can be a one-stop shop.”

Wholesalers collect data and research from suppliers and other sources and can bring this information to small operators, so they can make better decisions on what to stock, where to merchandise products in the store and more, he explained.

“It's hard to pick up pennies as a small operator because you don't have enough time and you can miss money in the center of the store with rebates and programs that wholesalers can bring you,” said Steve Morris, president of Retail Management Inc. (RMI). “If you can pick up two cents on a candy bar, that is two cents more than you had yesterday and you are going to sell that candy bar anyway.”



Tapping Into the Power of Data

As a small operator, there are technology solutions available to this market that allow scanning at the point-of-sale, back-office software to collect and analyze data, and pricebook solutions.

When there is data to gain at the store level, an independent or chain can become more visible to suppliers and brands, and can get more targeted help when it comes to merchandising and sales, according to Hudson of PDI Software.

“There are easy ways for independent and small-chain operators to leverage back-office, pricebook and scan data solutions.

Providing data to suppliers can help them work “smarter and harder” with the retailer around how to promote their products in-store, and enable the operator to get access to rebates and other values offered, Hudson said.

“Getting value from suppliers requires you to share data, and operators can use their scan data to extract rebates and values from tobacco and other consumer packaged goods companies,” he explained. “Suppliers often refer to small operators as ‘the dark channel’ because they don't have the visibility. But when you can track what is occurring on a day-to-day basis, you will have better merchandising — and won't have products not moving through an efficient cycle — as well as data-driven promotions that will lead to profitability.” ■