

IN THE CONVENIENCE FOODSERVICE SPACE.

some retailers are experienced veterans that have fine-tuned their programs and how they introduce new menu items. Others are starting from scratch with brand-new programs or new prepared food products to fit the top trends and meet changing consumer demand. To succeed with something new, operators must have strong knowledge of the market, a clear goal and a realistic path to reach it, according to industry experts.

"We started with the offer and what we wanted to stand for," said Ed Burcher, vice president of foodservice at FriendShip Food Stores, which opened the doors to its first food-focused concept store in its hometown of Elyria, Ohio, in July 2018. The convenience store chain recognized that it needed to standardize many items and offers, as well as the general look and feel of the store, to provide a consistent experience that would draw customers back on a daily basis. This meant making some changes to meet the needs and desires of FriendShip's existing customer base.

"What did not change was our FriendShip Kitchen offer," Burcher continued. "Friend-Ship has a history of food and foodservice, using other brands and programs. The goal with FriendShip Kitchen is to bring all of our offers under our name so that we have consistency with communications and expectations."

To determine how to meet this goal, the retailer identified what the new prototype would need. This included extra square footage to accommodate the store's new features and a redesigned kitchen plan to ensure the flow and processes necessary to serve restaurant-quality food. The project required dedication to space, equipment, process and execution, according to Burcher.

While FriendShip created a new concept, c-store operators looking to achieve improvements in their existing foodservice program can follow the same process, even if a new-build store model isn't in the cards, according to Chef Kyle Lore of Salt Lake City-based convenience store chain Maverik Inc. A smaller-scale change may even make it easier to fill a competitive need.

"Market research in the areas near the stores is the primary driver," Lore said. "What does your customer want that is not being made available?"

At the same time, operators should be cautious about what their foodservice program is capable of providing, and not rush to get ahead of themselves just to fill a niche.

"I am a big believer in process. While there are times that you can skip steps, an operator should understand what it will take to provide an item to a guest in every store the same way, each and every time," added Burcher. "There is no magic formula, but operators should have a process that ensures that all areas are addressed: supply, ingredients, packaging, pricing, promotion, communication and execution."

On the Menu

Once the kitchen space and general direction of a convenience foodservice concept are set, it's time to develop the

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Making Something Old New Again

Sometimes, the hot new menu item is a long-standing favorite - with a twist

Developing a standout menu item doesn't have to mean starting from scratch. It's possible to take a product that already exists, reposition how it's offered and marketed, and create a success story, as Rutter's Director of Foodservice Ryan Krebs recently found out.

Krebs began looking into why the convenience store chain's Chicken Pot Pie was experiencing poor sales. The locally made,

12-ounce item, which was stored in the cold case and positioned as something to grab and heat up at home, wasn't moving despite Pennsylvania Dutch-style Chicken Pot Pie being very popular in Rutter's operating area.

"It wasn't resonating with customers as something they'd pick up and heat later," Krebs told Convenience Store News.

The rates at which the packaged pies were being thrown out for reaching spoilage dates would have justified removing the product, but he decided to experiment first by making a simple change: heating it up in-store.

"I used all my culinary background," Krebs joked.

Rutter's began offering the same Chicken Pot Pie as both a madeto-order menu item and a grab-and-go product from the hot hold. For packaging, the retailer put it in the soup cups it already used. The difference in format made an immediate difference.

Virtually overnight, sales jumped from a couple of cases per week to thousands. Rutter's distributor even added another line just to keep up with the product demand.

"It elevated the entire program," Krebs said, noting that even the Chicken Pot Pie's cold version saw increased sales afterward, growing by more than 100 percent compared to what they were before. Today, the product "just crush[es] it in fall and winter" and still sees high buy-in during the spring and summer months. What was nearly a failed menu item became a success story with dedicated promotional support and its own TV commercial.

One interesting and unexpected aspect of the item's spike in popularity is that despite the recipe being a particular regional style, the Rutter's store that ranks No. 1 in Chicken Pot Pie sales is not located in Pennsylvania Dutch Country.

The entire experience taught Krebs that format matters as much as the actual product, and that the right product can stretch beyond cultural barriers.

Above all, he's glad he didn't opt to drop the item and be done with it.

"What an epic fail that would have been," he reflected.





Maverik tests new menu items in phases. Factors evaluated include production difficulties, unexpected secondary impacts and real-time customer feedback.

menu — and this starts with imagination.

"I [think about] what we have, how many things we can bring in to make something cool or interesting," Lore said. "This is purely brainstorming on my part, from a chef standpoint."

The next step is to evaluate all the ideas. Along with analyzing factors such as entry costs for new items, retailers need to decide on a testing process that fits their size and resources prior to implementation, or be prepared to eat extra costs in the case of customer rejection.

At FriendShip, the company has used a rigorous testing process in the past, from idea to test market to full rollout. Burcher noted that smaller chains such as FriendShip, which operates 26 c-stores, are often more nimble than the largest players in this area because they are able to make significant changes in a shorter period of time.

"We are evolving our stores and offer at a much faster rate than larger chains can and it accelerates our ability to achieve consistency in offer, brand and execution," he said.

At Maverik, which operates more than 300 stores, the testing process occurs in phases. A test item will typically appear at a small number of stores, often just five, and then be reviewed by the company's quality assurance managers, who have a strong background in food safety and work directly with those employees involved in foodservice operations. Together, they evaluate factors such as production difficulties, unexpected secondary impacts on other processes, and real-time customer feedback. If the initial results are promising, Maverik makes adjustments and then moves on to a broader test at 10 to 30 stores.

Hands-on testing can reveal fatal flaws in an item that looks fine on paper. Lore gave the example of Maverik's experiment with raw pizza dough balls, which ultimately didn't work because the kitchen space was not designed for it.

"Just trying it out, it was apparent there was no way we could consistently do that in a c-store environment," he said.

Both Lore and Burcher agree that limited-time offers (LTOs) are a good way to test a menu item in the market and explore demand. LTOs can help operators determine whether an item has the potential to become permanent or should disappear after the promotional period.

"To become permanent, it must impact the mix in a meaningful way," Lore said. csn





As a smaller chain, operating 26 stores, FriendShip Food Stores finds that it can be more nimble and quicker to act than larger chains.

