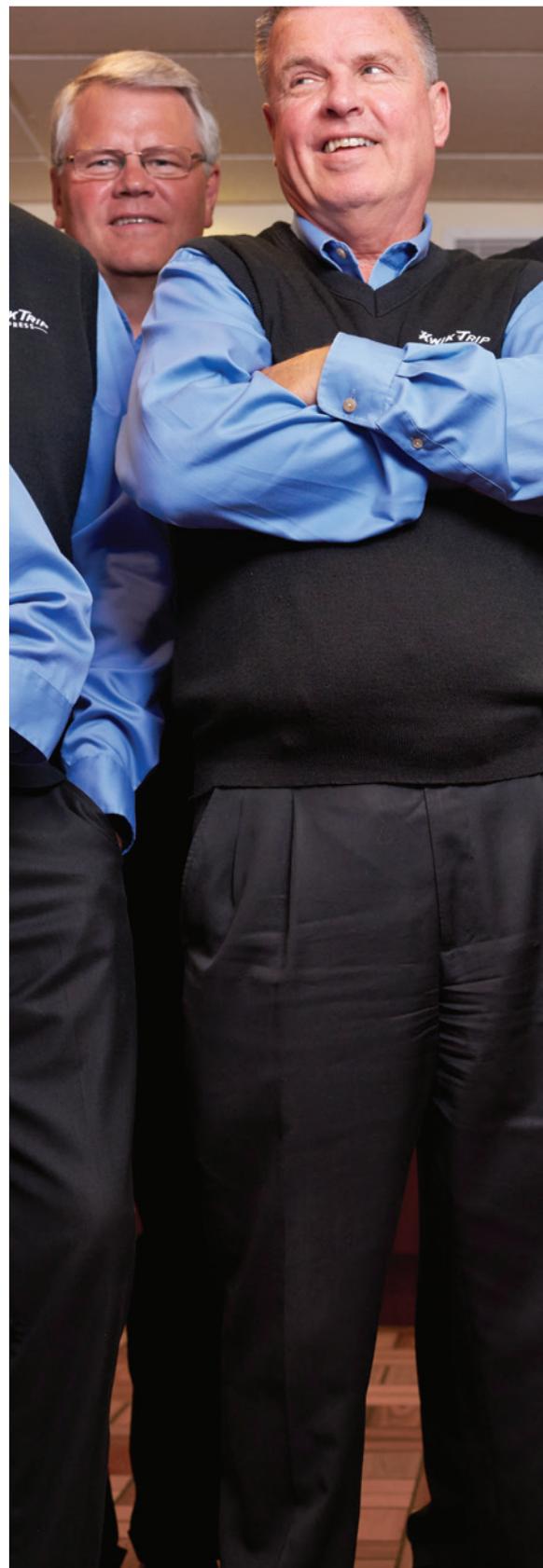




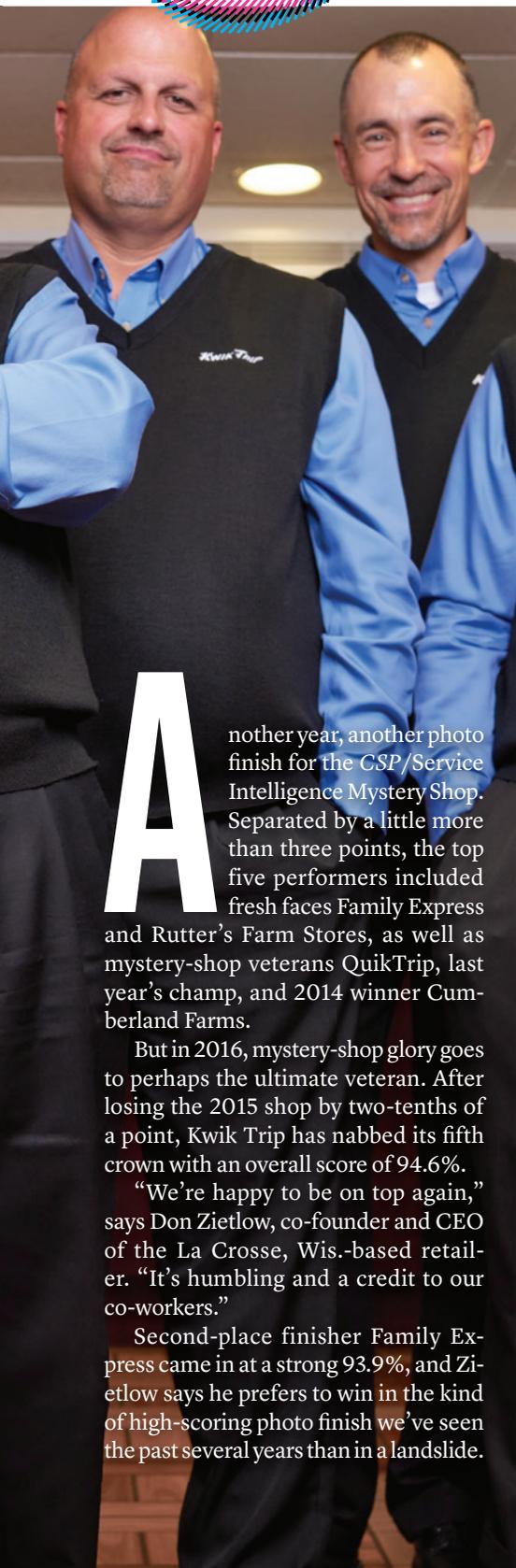
# TIP-TOP TRIP

**'Just two things' propel Kwik Trip to its fifth mystery-shop title P.30**

**Don Zietlow (left) and Greg Olson are positioning Kwik Trip for a bright, healthy future.**



TIP-TOP TRIP



**A**nother year, another photo finish for the CSP/Service Intelligence Mystery Shop. Separated by a little more than three points, the top five performers included fresh faces Family Express and Rutter's Farm Stores, as well as mystery-shop veterans QuikTrip, last year's champ, and 2014 winner Cumberland Farms.

But in 2016, mystery-shop glory goes to perhaps the ultimate veteran. After losing the 2015 shop by two-tenths of a point, Kwik Trip has nabbed its fifth crown with an overall score of 94.6%.

"We're happy to be on top again," says Don Zietlow, co-founder and CEO of the La Crosse, Wis.-based retailer. "It's humbling and a credit to our co-workers."

Second-place finisher Family Express came in at a strong 93.9%, and Zietlow says he prefers to win in the kind of high-scoring photo finish we've seen the past several years than in a landslide.

## 'Just two things' propel Kwik Trip to its fifth mystery-shop title

**Kwik Trip's retail leadership team: Sandy Malay (left), Terry Schmitz, Chuck Thoftne, Greg Olson, Tom Vandenheovel, Brad Fogarty, Paul Servais and Joan Elsing**

BY SAMANTHA OLLER AND MELISSA VONDER HAAR  
PHOTOGRAPHY BY DAVID BOWMAN



**MYSTERY Shop**

“It’s always nice to win in a tough race,” Zietlow says. “The industry has gotten better, including Kwik Trip.”

Ask anyone at Kwik Trip’s more than 500 locations about the company’s continued success, and it comes down to one thing: culture.

“The family is going to take care of our co-workers and our co-workers will take care of our customers,” Zietlow says of the

company’s culture. “If we just do these two things, we’ll be successful.”

“Taking care of employees” means a number of things at Kwik Trip, from competitive wages and benefits to sharing 40% of its pretax profits with team members at every level. Greg Olson, vice president of retail operations, says this culture helps Kwik Trip keep its turnover rate at less than 30%.

On the flip side, “taking care of customers” goes beyond just retail execution.

“[It’s] simple things, like carrying groceries, helping change a flat tire,” says Olson. “Our co-workers are making a difference in the lives of our guests. It happens because that’s our expectation; that’s our culture.”

That golden-rule-like culture made it an easy decision for Kwik Trip to join the Partnership for a



Six of the mystery-shop participants received a perfect score for fresh and attractively presented sandwiches, including Family Express, GPM/Fas Mart, Kwik Trip, Kum & Go, QuikTrip and Ricker’s.

**FOODSERVICE PERFORMANCE**

**MYSTERY SOLVED**

**Foodservice alone makes or breaks the guest experience**

**F**or winning retailer Kwik Trip, foodservice isn’t just a strategic pillar of its business; it has been a major focus in its efforts around the mystery shop itself. The retailer’s strong foodservice

metrics are the most rewarding element of its involvement in the program, says Greg Olson, vice president of retail operations.

“It’s our No. 1 goal, our No. 1 priority since we rolled out

[foodservice] in 2002,” Olson says. “We’ve made a ton of mistakes and have learned a lot since then. But our focus is on taking care of the guests, then taking care of the food.”

To reiterate that importance to employees, Kwik Trip has developed leadership levels just for its foodservice program, plus a bonus program built around food sales

and food gross-profit dollars.

“It’s really on everyone’s mind every single day,” says Olson.

**Safe Satiation**

Of course, any foodservice program is problematic without sound food-safety practices, particularly as the industry faces more stringent regulations from the Food Safety Modernization Act.

**GSP/SERVICE INTELLIGENCE MYSTERY SHOP**

The 2016 mystery-shop audits were conducted from May 12 to June 16. These audits took place between 9 a.m. and 5 p.m. any day of the week. Following each visit, mystery shoppers completed a survey in which each response received equal value.

**OVERALL BRAND PERFORMANCE**

<b>Kwik Trip</b>	<b>94.6%</b>
<b>Family Express</b>	<b>93.9%</b>
<b>QuikTrip</b>	<b>93.5%</b>
<b>Cumberland Farms</b>	<b>92.7%</b>
<b>Rutter’s Farm Stores</b>	<b>91.5%</b>

**BRANDS SHOPPED**

<b>Brand</b>	<b>Number of shops</b>
<b>Kwik Trip</b>	<b>81</b>
<b>Family Express</b>	<b>64</b>
<b>QuikTrip</b>	<b>81</b>
<b>Cumberland Farms</b>	<b>80</b>
<b>Rutter’s Farm Stores</b>	<b>60</b>
<b>Speedway</b>	<b>84</b>
<b>Ricker’s</b>	<b>50</b>
<b>GPM/Fas Mart</b>	<b>81</b>
<b>Thorntons</b>	<b>54</b>
<b>Kum &amp; Go</b>	<b>80</b>

Healthier America (PHA), becoming the first c-store to do so back in 2014. Olson says partnering with PHA—which works with retailers, distributors and others to implement strategies to solve the nation’s childhood obesity crisis—was a natural extension of existing programs.

“We have a huge wellness initiative here for our co-workers,” he says. “Having those healthy foods available, being a member

of PHA, ties in with our culture.”

The PHA partnership includes offering EatSmart-labeled items that meet specific nutrient and affordability criteria and building bike racks at new store locations.

“PHA has been good for our business by holding us to some rigorous standards and challenging us as a company to think outside of the box when it comes to what we can do,” says Erica

Flint, a registered dietitian in food research and development for Kwik Trip.

Though meeting PHA standards isn’t always easy or cheap (Zietlow says it was pricey to start sourcing organic eggs and milk), it’s been invaluable in redefining health and convenience.

“It’s expensive to do, but it’s the right thing to do,” says Zietlow. “It raises the bar for convenience stores.”

It also puts Kwik Trip in a great place for 2017 and beyond—a future that includes opening 35 to 40 stores per year, increasing the number of Kwik Trip co-workers from 18,000 to 20,000 and (it hopes) claiming yet another mystery-shop win.

Not that Zietlow’s sweating it. “I see the future as much brighter than the past,” he says. “It’s going to be easier for us to grow—that’s a good thing.”

## COMBO-DEAL DOWNLOAD

While many retailers offer food combo deals, not all are promoting them in the store.

CHAIN	FOOD COMBO DEALS AVAILABLE	COMBO-DEAL PROMOTIONS IN STORE
Cumberland Farms	100%	98.8%
Kwik Trip	100%	96.3%
Kum & Go	97.5%	100%
Family Express	95.3%	90.2%
Rutter’s	95.0%	96.5%

## A COFFEE LEADER

Cumberland Farms ranked in the top five for coffee-bar attributes the most of all participants, netting placement in three out of the four areas.



Fully stocked coffee area



All equipment operational



Working thermometer to test coffee temperature

## SANDWICH SAFETY

The food-safety attribute with the lowest scores came at the sandwich cooler, where a number of chains got scores in the 80s for keeping the temperature within 32 and 41 degrees Fahrenheit.

Family Express	93.7%
Speedway	90.0%
Ricker’s	89.4%
Kwik Trip	88.8%
Thorntons	88.2%

“A customer buying a sandwich a couple of degrees off what it should be is not going to have a customer service experience that’s any lesser,” says Gus Olympidis, CEO of second-place mystery-shop finisher Family Express, Valparaiso, Ind. “But if they get sick because the rare occasion becomes reality, then it could be catastrophic.”

This year, the top five retailers in each food-safety attribute mostly

scored in the 90s and high 80s. Four received perfect scores for having a procedure in place for tracking temperatures in the sandwich cooler, but the top five dropped to the low 90s and upper 80s for coolers being in the proper temperature range.

The fountain is the biggest Achilles’ heel for the c-store industry, Olympidis says. Too many retailers are not sanitizing their valves often enough—and do not have a set procedure

in the first place.

“A c-store chain having a bad event in your neighborhood but not in your store is still your problem,” he says.

### Craveable Convenience

Quinn Ricker, president and CEO of Ricker’s, Anderson, Ind., says the 125-store chain is “still in the infancy” of its foodservice program. The offer, now in 14 sites, continues to be rolled out. Ricker’s placed in the top five in

a number of foodservice categories, particularly in food safety. The retailer conducts a monthly foodservice excellence inspection, examining everything from food safety to food quality elements such as item rotation, speed of service and the quality of ingredients.

Speedway, Enon, Ohio, has made foodservice a big focus with its grab-and-go breakfast sandwiches, pizza, roller-grill items and snacks. Each site

gets a foodservice mystery shop that examines multiple facets. “On top of cleanliness, we look at rotation and dating of items, being in stock, plan-o-gram integrity,” says Glenn Plumby, senior vice president of operations.

As is evident for mystery-shop winner Kwik Trip, success comes with the balance of a high-quality, craveable menu and the safety and operational processes to hold it up.

If a Kwik Trip customer finds a less-than-pristine restroom, he or she is encouraged to call CEO Don Zietlow himself.



## EXTERIOR CLEANLINESS

### Were the pump island and its pumps clean?

<b>Kwik Trip</b>	<b>97.5%</b>
Family Express	95.3%
Rutter's	93.2%
QuikTrip	92.6%
GPM/Fas Mart	91.4%

### Was the pump island properly supplied?

QuikTrip	96.3%
<b>Kwik Trip</b>	<b>91.4%</b>
Speedway	90.5%
Rutter's	84.7%
Family Express	84.4%

### Were the garbage cans at the pump island neatly maintained?

Rutter's	89.8%
Family Express	89.1%
Cumberland Farms	88.5%
Speedway	85.7%
QuikTrip	85.2%

### Was the parking lot and store entrance free of garbage and debris?

Family Express	95.3%
GPM/Fas Mart	93.8%
<b>Kwik Trip</b>	<b>92.6%</b>
QuikTrip	91.4%
Kum & Go	88.8%



## CLEANLINESS PERFORMANCE

### Was all exterior signage in good condition?

Family Express	100%
<b>Kwik Trip</b>	<b>100%</b>
QuikTrip	100%
Thorntons	100%
Cumberland Farms	98.8%

### Were the garbage cans in front of the store well maintained?

QuikTrip	97.5%
GPM/Fas Mart	95.1%
Cumberland Farms	93.8%
Rutter's	91.7%
Speedway	91.7%

## INTERIOR CLEANLINESS

### Were the floors inside the store clean?

QuikTrip	93.8%
GPM/Fas Mart	88.9%
<b>Kwik Trip</b>	<b>85.2%</b>
Cumberland Farms	83.8%
Rutter's	81.7%

### Was the ceiling clean (tiles and vents)?

Rutter's	96.7%
<b>Kwik Trip</b>	<b>95.1%</b>
QuikTrip	92.6%
Ricker's	88.0%
Family Express	82.8%

### Were all the lights you saw in the store working?

Ricker's	100%
Rutter's	100%
Speedway	98.8%
Family Express	98.4%
QuikTrip	97.5%

### Was the cash counter clean?

Cumberland Farms	98.8%
Family Express	96.9%
GPM/Fas Mart	95.1%
Rutter's	95.0%
Speedway	92.9%

### Was the restroom clean?

<b>Kwik Trip</b>	<b>92.6%</b>
QuikTrip	90.1%
Cumberland Farms	89.9%
Family Express	82.8%
GPM/Fas Mart	81.7%

### Was the restroom properly stocked?

<b>Kwik Trip</b>	<b>100%</b>
Quik Trip	100%
Family Express	98.4%
GPM/Fas Mart	98.3%
Rutter's	98.2%



**Did the cashier make you feel like a valued customer?**

<b>Kwik Trip</b>	<b>85.3%</b>
Family Express	84.6%
Cumberland Farms	84.3%
QuikTrip	82.2%
Speedway	80.6%

**Would you recommend this store to others?**

<b>Cumberland Farms</b>	<b>91.0%</b>
<b>Kwik Trip</b>	<b>90.6%</b>
QuikTrip	88.4%
Ricker's	87.7%
Rutter's	86.9%

**Kwik Trip employee Cody keeps the foodservice prep area safe and clean.**



**EMPLOYEE PERFORMANCE**

**EMPLOYEE PERFORMANCE**

**Were all on-duty employees wearing a uniform, including a nametag?**

QuikTrip	100%
<b>Kwik Trip</b>	<b>98.8%</b>
Cumberland Farms	97.5%
Family Express	95.3%
Ricker's	94.0%

**Were all on-duty employees well groomed?**

QuikTrip	100%
Cumberland Farms	100%
Family Express	100%
Ricker's	100%
Thorntons	100%
Speedway	100%
GPM/Fas Mart	100%



**A smile and friendly greeting are virtually guaranteed at Ricker's stores.**

**Ricker's Friendly Way**

**A**nderson, Ind.-based Ricker's is a newbie to the CSP/Service Intelligence Mystery Shop, and it has already made its mark in employee friendliness. The chain, which has more than 50 stores, scored the highest for the customer-service question "Was the cashier friendly?" with 98% of mystery shoppers answering "yes."  
"Adriana was warm

and friendly while smiling broadly," said one shopper of her Ricker's sales associate. "She definitely made me feel like a valued customer!"  
Quinn Ricker, president and CEO of Ricker's, and Jason Klemme, director of operations, attribute the high marks to company culture. "We believe that if we treat our employees

right, and we treat them as if they are part of the family, then they will treat their customers right," says Klemme. That includes giving them the right advancement opportunities and clear communication.  
Employees interested in rising up the management ranks participate in Ricker's Business Academy, where

they take leadership courses and learn how to tackle a variety of management issues. Managers—from assistant to foodservice to store—participate in Ricker's School of Business, a one-week course in which Ricker, his father and company founder Jay Ricker, and department heads discuss

expectations. Quinn also meets with each store manager during the year to learn about what is going well and what is not. "We give them the right advancement opportunities, right compensation, right store environment and leadership," says Quinn. "We treat them how we want to be treated."

RICKER'S PHOTOGRAPH COURTESY OF RICKER'S



# RUTTER'S CLEANS UP

**R**utter's first year in the CSP/Service Intelligence Mystery Shop is off to a sparkling start, with the York, Pa.-based chain of more than 60 stores ranking fifth overall. Helping it place in the program was its strong cleaning game, beginning with the exterior.

"Cleanliness is built into the culture of this company," says Jere Matthews, vice president of operations for Rutter's Farm Stores. "It's been here since day one." Rutter's placed third in the cleanliness of the fuel islands, and first in having well-maintained garbage cans. All employees do



**Rutter's came in third at the finish line for pump-island cleanliness.**

their part: Area supervisors inspect the space during their routine visits, store managers survey the fuel island first thing in the morning, and employees follow daily task sheets with a detailed cleaning process for each shift.

The chain also performed well inside the store, placing first in the cleanliness of its ceilings, with working lights in 100% of the sites visited during the shop. Employees

check the lighting in the morning and evening as part of their regular rounds. Long-lasting LED bulbs help keep change-outs few and far between.

Rutter's has an ambitious foodservice program, which makes cleanliness crucial. Foodservice quality-assurance supervisors perform their own routine inspections to standards that Matthews says are higher than

the state's own. A bonus program awards stores that score above a certain figure, and locations with the highest average for internal inspections also receive an award. Store and restaurant managers for sites with the highest averages get to attend that year's NACS Show.

"Customer service is not just being friendly to the customer," says Matthews. "Really, customer service is the whole customer experience, and that includes cleanliness."

**F**amily Express, Valparaiso, Ind., placed second in its first year participating in the CSP/Service Intelligence Mystery Shop, beating out seasoned chains such as QuikTrip and Cumberland Farms for the spot. Among its strong points: cleanliness, both inside the store and out, as well as a solid presentation of its foodservice program and friendly customer service.

But according to Gus Olympidis, CEO and president of the 65-store chain, the retailer's main secret of success is not even measured in the mystery shop.

"The most fundamental component of building relationships has to do with the feeling you have when you walk in the store," says Olympidis. "In our case, that feeling is emphasized with a genuine greeting."

"I was greeted with a warm smile," says one mystery shopper about his Family Express sales

## FAMILY EXPRESS' PEOPLE PLEASERS

associate. "Alex was very friendly and engaging," says another shopper about hers.

Family Express hires for this personality—and is very selective, rooting through 50 applicants for every one that meets its relationship-building standards.

"We're looking for servant people who have an inherent capacity to be friendly," says Olympidis. "That's how you build relationships."

He cites the example of a person hosting a party who fails to greet

guests "without your facial, body language and essence of your demeanor articulating a sense of warmth and welcome," he says. "That is what we wrap into the experience."

Family Express conducts industrial psychological assessments on its new hires and then puts them through several days of relationship-building training. About 20% of potential recruits fail to make it through this stage, mainly because they cannot demonstrate an inherent warmth and friendliness.

"It has more to do with DNA and upbringing than training," says Olympidis. "We hire people who are instinctively inclined to build relationships, then we provide an environment for them to be themselves."

**Family Express hires on one crucial attribute: personality.**





# QUIKTRIP: ONE BIG FAMILY

Last year's CSP/Service Intelligence Mystery Shop champion QuikTrip considers itself "uber-competitive," according to Mike Thornbrugh, manager of public and government affairs for the Tulsa, Okla.-based retailer.

"We'll take the A, but we're going to get the A-plus next time," he says of QuikTrip's third-place finish this year.

The areas where QuikTrip grabbed those "A-plus" scores say a lot about the company's focus: It was the only retailer to score 100% on questions about employee appearance, and the company also



**An A is OK for QT, but it's aiming for the A-plus in 2017.**

scored high in how those employees made customers feel.

"They are QuikTrip," Thornbrugh says of the company's store-level employees. "The average customer doesn't know anything about QuikTrip except the employees that they see and the service they provide. Our success (and our failures) are all based upon how they perform."

It's a big area of focus for

QuikTrip, which offers incentives such as generous salary and benefits packages, as well as "continuous" opportunities for advancement and promotion.

Thornbrugh, however, believes QuikTrip's culture plays a bigger role than any of these single perks.

"The biggest motivation is how you treat people," he says, "recognizing they're part of the QuikTrip family."

Another high point for QuikTrip was its speed of service: Ninety-six percent of mystery shoppers reported waiting a minute or less at QuikTrip, thanks largely to those motivated employees.

"Speed is obviously critical in what we do. But you still have to make sure the customer feels valued," Thornbrugh says. "The backside is you still have to be a human being. There's an art to that, and I think our people are really skilled there."

When Cumberland Farms took first place in the 2014 CSP/Service Intelligence Mystery Shop, the Framingham, Mass.-based chain credited its success to a team-first culture and a conscious reset of its stores to focus more on areas such as cleanliness and foodservice. These efforts continued to pay off in 2016.

This year, Cumberland Farms landed top scores when it came to mystery shoppers recommending the store. An average of 91% of mystery shoppers would likely recommend the 80 participating Cumberland Farms to others, with 75% saying they definitely would.

When asked why, many mystery shoppers mentioned speed of service, while others cited cleanliness or convenience. However, time and time again, the comments mentioned one main reason for a return visit: Cumberland's friendly staff.

# CUMBERLAND GETS CHUMMY

"The cashier was very friendly," wrote one shopper. "I purchased a coffee and we had a little chat because business was slow and he educated me on how great the coffee is at Cumberland Farms. Simply a wonderful person."

Several mystery shoppers echoed these sentiments, citing employees who covered an extra penny or nickel in tax, made eye contact and smiled, and even "went

above and beyond the call of duty" by returning money that had fallen out of a customer's wallet.

As such, Cumberland also performed well when shoppers were asked to rate its store-level employees. Cumberland's employees were described as well-groomed 100% of the time; making the customers feel valued 84.3% of the time; and being friendly 96.3% of the time.

"The employee was friendly and polite," another shopper said of their experience. "She made eye contact and said she was sorry for the delay (only 14 seconds). She was one of the friendliest, [most] down-to-earth cashiers I've ever encountered."



**Customers find fast friends behind the counter at Cumberland Farms.**



# DEFINITELY MEASURE, BUT MAKE IT BETTER



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**W**hen was the last time you or one of your store managers asked, “Why aren’t our program scores improving?” I bet no one had the answer.

While this question can apply to virtually any scored corporate program, I want to focus on customer experience measurement (CEM) programs. The three primary models:

- > Overt audit: operational checks, health and safety, brand protection
- > Covert audit: mystery shops, age and ID verification
- > Customer feedback: Customer satisfaction and intercept surveys.

Lately, we’ve seen companies employing CEM programs falling into three categories: They are not measuring the right things; they are measuring correctly but are not effectively using the information; or they are measuring correctly, and then effectively using the information.

Unfortunately, the third category seems to be a bit elusive. We see three common pitfalls: Using the score as the result of the program and focusing on improving it; poor ratio of measurement compared to analysis;

and less-than-optimal ratio of program types and frequencies.

## Score as the Result

The objective of any CEM program should be to capture information that can help you draw conclusions and improve the overall execution and in-store experience. In other words, it’s not just about the score or grade. The score is a measurement, not the goal itself. For example, if your program consistently scores 97% to 98%, it’s likely time to change what you are measuring to drive the score down by finding areas to improve. Of course, companies rarely do things to drive down the scores because they have tied bonuses and incentives to the numbers, so the focus has become all about the score.

My point is that the score reflects only what you’re measuring. If your goal is high scores, you are likely not measuring your potential weak points.

To truly mine your pain points, your organization needs to center on genuine improvement, not the scores themselves. If there are consistently low scores and eight areas that need improvement, then perhaps tackle three items and make only those the focus of improvement for a period of time. Don’t get caught up in the scores and don’t even talk

about the other five items; just focus on getting the selected three done better. By focusing on a few items, you should see improvement and greater consistency. I would rather have my bonus tied to the sales and profits that come as a result of the improvements than to the program scores anyway.

## Actionable Data

Do you ever feel like your data is quicksand—a pit of grains that you don’t know what to do with, lest you get sucked in? I am starting to dislike the term “Big Data” because it tends to be overused. To me, it really just means more rows and columns in a spreadsheet. Instead of “more data,” pursue instead actionable intelligence. For example, do you want to know that your customers consistently think your restrooms are dirty, or do you want to know that your restroom standards

are being executed but they are below the expectations of your customers? I believe the latter leads to a much more clearly defined next action item.

Also, if you are performing a covert program each month but an overt program only once a year, it is likely that you are not drawing the right conclusions in your analysis. Two possible issues are undercutting your analysis: Either the data from various programs is not collected close enough together to draw effective conclusions, or a program is measured too frequently for any change to take place before you measure again.

What if instead of doing one measurement per month over a quarter in each location, you did three measurements in the first month of a quarter and then spent the rest of the quarter focusing on the thing (or few things) that clearly need improvement? At the start of the next quarter, you can then see how you did and if it’s time to adjust the focus, or if you need to stay the course for a while longer.

So don’t just look for confirmation of the things you do well. Look into your potential weaknesses, seek out a few solutions and measure them to see if they are boosting store performance and consumer expectation. It’s ultimately about creating a winning experience that repeats itself day after day.

**By focusing on a few items, you should see improvement and greater consistency.**



**Greg Olson (left) and Don Zietlow of Kwik Trip get ready for their close-up.**

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