

**Retailer Newsletter**

**April 1, 2024**

**Tom’s Business “TIPS”**

***“To Improve Profits”***

**RE: Breakfast Anyone?**

**Spring has sprung, finally! **

**Have you ever scheduled breakfast or lunch with your staff? When I owned multiple 24/7 full-facility stores, I realized I did not ‘talk’ to very many employees. Now you must understand that during these times, I had over 100+ employees on the payroll. So, I did not really get to know many of them on a personal basis; and consequently, they did not have an opportunity to get to know me other than ‘as the man who owns this store’. I decided to schedule an early morning breakfast at least once a month at each location. It was completely voluntary; the employees were not required to attend. In a short time, more and more employees were showing up for breakfast. Some people who got off work at 11:00 pm the night before were there for a 5:30 am breakfast. I did not have an agenda for these meetings, I simply let employee questions be my guide. It didn’t take long before employees I barely knew were saying things like, “You’re easy to talk to” or “I didn’t know that about you”. There were times when I was busy and did not adhere to my usual breakfast schedule. I heard several employees ask, “When is the next breakfast?” or “Are we not doing breakfast anymore?” I knew that my idea was a success when I heard those comments. If you have not tried it with your staff, give it a try. I think you will find it a success and will be worth the cost of that meal.**

**I had a thought after last month’s *Tips*. If you remember, I suggested that you encourage your staff to be able to speak the local language at your store(s). As often happens when I’m writing my monthly *Tips*, that story brought back a memory of when I owned my stores. One of my stores was located near the Kansas State School for the Deaf. My CSRs took it upon themselves to learn sign language. If they were not proficient in signing, they took the time to use handwritten communication with deaf customers. I also need to tell you this was a full-facility location, that included gasoline, convenience store, auto repair, towing service, and car wash. As you can imagine, it became tricky at times when diagnosing and talking to customers with a car repair problem. We managed to excel at this because of the communication my staff initiated, without my insistence. One day I met the father of a student from the school, and he wanted to thank me for the way my employees helped his son. I learned from this gentleman that it was widely known all over the school that Tom’s Olathe Amoco went out of its way to help students when purchasing gasoline, c-store items, or auto repairs. I had no idea we had made that big of an impact at the school. Now, you might be thinking to yourself that sign language was a small part of our daily business, and it was. However, if you have ever attended a training session with me, you will remember a statement I often use. *“I am often asked what the one thing is I can do to make my store successful. My answer is I don’t have one answer to make you successful, what I do have is lots of little things to help you improve.”* In my opinion, having CSRs learn sign language was one of those little things; but to the deaf students at this school, it was monumental!**

**I recently saw a TV interview with Jon Taffer. Jon is the host of the widely known television show, *Bar Rescue*, which is the reality show that follows the host as he helps struggling bar and nightclub owners improve their businesses. That describes much of what I do with struggling C-store owners. About a year ago I mentioned receiving a phone call and I was asked, “Is this C-Store Rescue?” I liked that description and I have been using it in my signature on Tom’s Tips. In this interview, Mr. Taffer stated that many restaurant owners are too close to their business. “They can’t see the flaws because they are struggling with their business every day.” That is precisely what I see when I meet store owners who are desperately trying to keep their business afloat, not knowing what to do or how to do it. During store consultations, I have found that these are the very problems with retailers I have worked with. They operated their businesses during good times and bad. When businesses started a downward trend, they missed the signs that caused it because:**

1. **They were not paying enough attention to the issues that were causing the problems.**
2. **They were not present at the store regularly to see problems emerging.**
3. **Or because they just shrugged it off as a short-term issue.**

**Many retailers who are struggling do not know how to tackle the big problem(s) simply because they don’t know where to begin. Earlier in this newsletter, I told you I have been asked countless times, “What’s the one thing I can do to make my store successful?” My answer has always been the same, “I don’t have ‘THE ONE’ answer, but what I do have are lots of little things that will add up.”**

**If you are concerned and think you may have fallen into this situation, find a trusted friend or a business associate and ask them to come to your store and ‘look around’. Ask them to be honest with you and to tell you “What they would do differently if they owned this store?” That’s the first thing I tell retailers when I’m asked to come to their store and help them begin digging themselves out of the hole they dug. I always approach these situations with the idea, ‘What would I do differently if this were *my* store?’ If you cannot find somebody to help you, reach out to me. Maybe we can resolve your problem with a phone call or email. It’s a start to get you on the right track. Do not wait for a miracle, take the first step.**

**I read an article on CSP Daily News recently and want to share it with you.**

***Note:* *I am not endorsing the company “LottoShield”* in the following article, because I do not know enough about them to recommend them to you, but I recommend you investigate what they offer. I know for a fact that many, many C-store operators are losing way too much $$ due to lottery theft. This may not be the answer for you, but maybe it is. Remember, sometimes you mustspend a little $$ to save a lot of $$.**

***Convenience stores are central to community life, offering everything from quick snacks to essential items. Among these, lottery products stand out as popular purchases that draw customers in. However, the allure of the lottery also brings with it a challenge: employee theft. Understanding and combating the various forms of lottery theft is crucial to maintaining profitability and ensuring a smooth operation.***

***Understanding Lottery Theft***

***Internal theft of lottery products can manifest in several ways, each requiring a specific prevention strategy. Here are the key types of scratch-off theft:***

1. ***Backstock theft: Often overlooked, the backstock scratch-off packs are a prime target for employees and managers. Securing these items and limiting access to authorized personnel only goes so far. Regular audits and matching inventory to delivery receipts can deter theft from this area. Whole packs that are activated and settled in a short period of time can sometimes be a cause for concern.***
2. ***Playing during shift: Employees might engage in playing scratchers during their shift and will initially pay for the tickets too, but this can get out of hand quickly and lead to large losses. Implementing strict policies against playing on the job, closely monitoring employee actions, and utilizing security cameras can help mitigate these risks.***
3. ***Making it look like a sale: From voiding tickets to overriding prices, employees will use these tactics to make everything look normal, but they are either giving away tickets to a friend or setting them aside for later. Automated solutions, like LottoShield, can help monitor suspicious activities, ensuring all transactions are legitimate and accounted for.***
4. ***Vending machine vulnerabilities: Both cash and tickets are at risk when managing lottery vending machines. Establishing clear cash handling procedures and auditing transactions can prevent theft. Anytime cash is removed from the vending machine, it should be entered into the cash register in an easily trackable department or key. The vending machine’s inventory should also be tracked at each cash removal to make sure the movements match.***
5. ***From different parts of the pack: Employees sometimes take tickets from the end of the pack or the middle of the pack. Taking tickets from the end of the pack is a more common infraction that happens right before activation. So, restricting who activates packs and carefully tracking display case inventory is crucial.***

***A lottery management system must be airtight and easy to implement and use, and it should automatically detect all forms of lottery theft (scratch-off, online lotto, and payouts). LottoShield is the only solution on the market that significantly reduces theft and significantly reduces wasted labor hours for every step in the lottery management process.***

***With LottoShield, inventory counts can be done in less than 30 seconds with very little training required. Reconciliation, theft detection, accounting entries, and much more are all automated by LottoShield, increasing daily profit for both small operators and large chains and freeing up time and resources to focus on growing the top line more rapidly.***

***With LottoShield, small discrepancies and mistakes, such as “accidental” large payouts or “forgetting” to ring up a sale are all quickly detected and eliminated. And because LottoShield is easy to install—it only takes five to 10 minutes per store—and easy to learn, management can quickly train employees on the platform.  All of this and more is why thousands of convenience stores across 38 states are using LottoShield.***

[**https://www.youtube.com/watchchannel=LottoShield**](https://www.youtube.com/watch?v=e6cv9mZOf4E&ab_channel=LottoShield)

**The next time you are at a meeting with fellow retailers, ask if anybody is experiencing lottery theft (don’t forget, some owners may be having lottery theft and don’t know it) and ask what they are doing about it. Many retailers I have met take lottery theft seriously AFTER a major theft has occurred. Then it’s TOO LATE!**

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**If you would like to improve your store sales and profits, give me a**

**call or email. If you are a supplier or organization with retailers, and they are struggling to maintain profitable stores, please reach out to me. We can help these stores operate more efficiently and improve profitability!**

***“If you want to build a great team, create an environment where someone can raise their hand and say, “I disagree” without any fear of victimization or termination.”***

***Gifford Thomas***

**Don't be a victim of the 5 Dangerous Words**

***‘Maybe I’ll Do It Tomorrow’***

**Do it today because tomorrow (~~could be~~) will be too late!**

Tom
Thomas W. Terrono

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