

Strategic Business Solutions, Inc.
Newsletter – November 2013

Topic:
Kwik Trip – What are they doing?

Information for Decision Makers

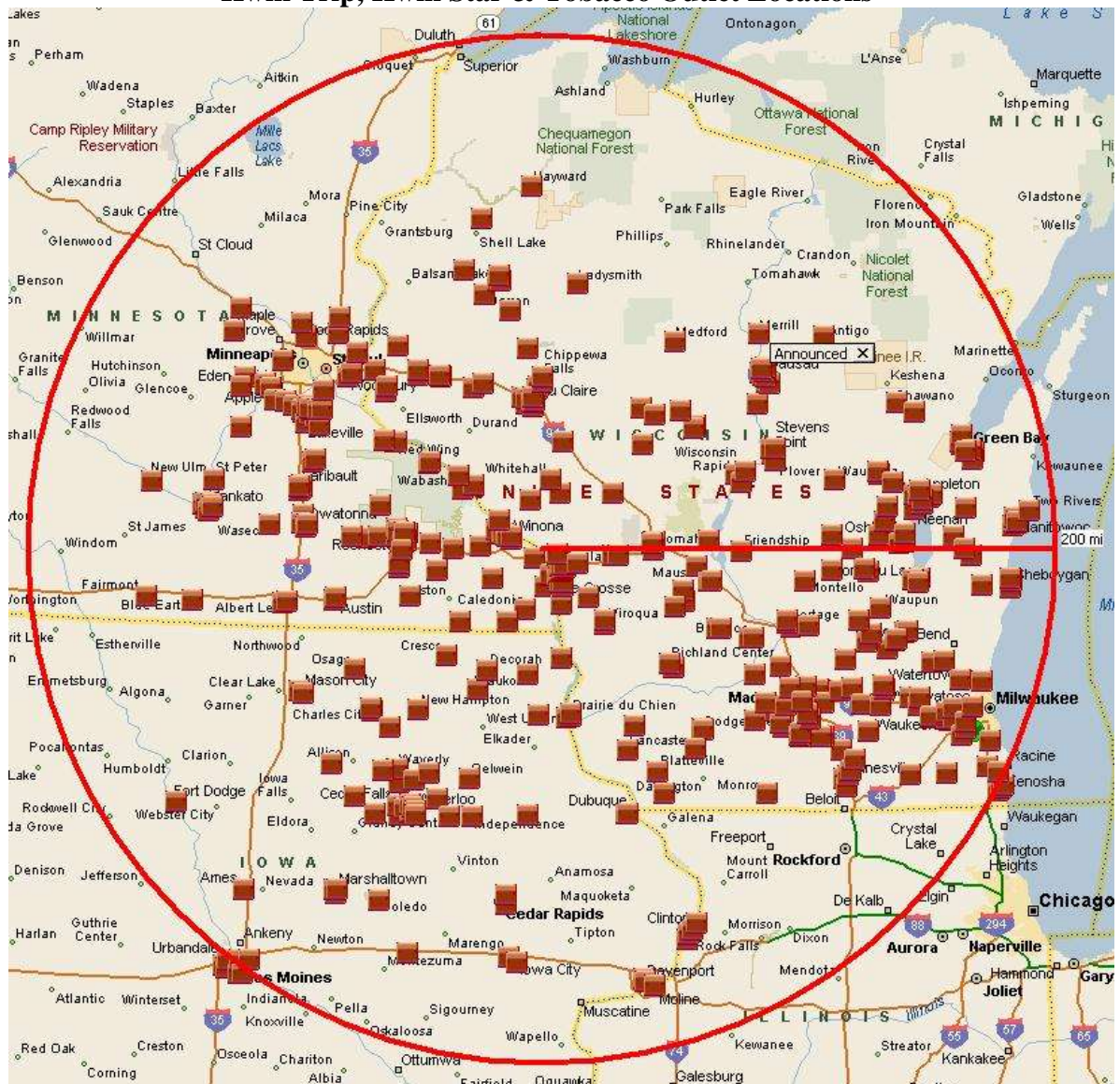
One of the most frequent questions we hear (especially since the recession) is, “There’s another new Kwik Trip going up in our area... What they are doing?”.

Strategic Business Solutions, Inc. studies markets and industry “Best Practices” so we thought we’d take a look and see what types of locations this regional powerhouse has been investing in.

Kwik Trip Locations = Best Practice

Kwik Trip has clearly been one of the more aggressive “Ground Up” and “Major Retrofit” C-store franchises in the Midwest – especially since the 2007 recession. They continue to grow by creating Market Standard setting facilities in WI, MN & IA.

Kwik Trip, Kwik Star & Tobacco Outlet Locations



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Brands

According to our database, Kwik Trip features their Kwik Trip brand in MN & WI with Kwik Star branded locations in IA. In addition, the data shows discount tobacco stores (non-C-store) that carry the Tobacco Outlet moniker.

C-store Focus

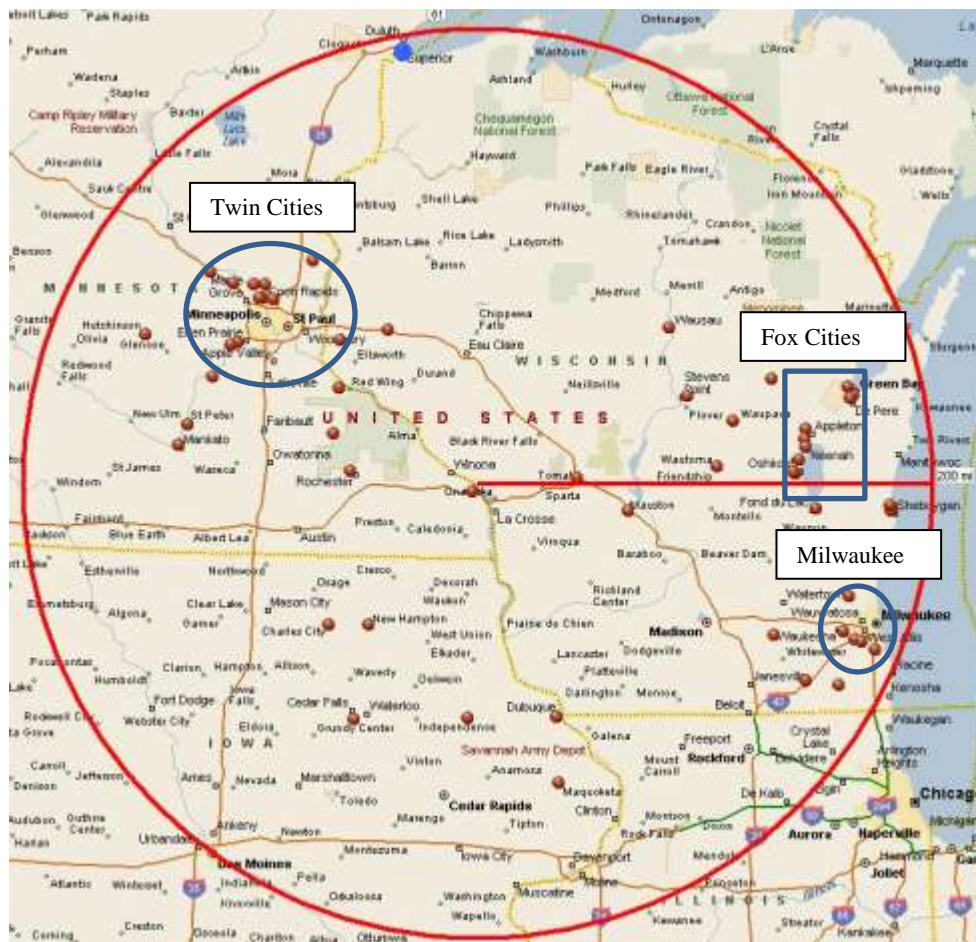
For this example, we will exclude the Tobacco Outlet stores and focus on their convenience store growth.

Older Kwik Trip Dataset

We had an older dataset of Kwik Trip & Kwik Star stores saved from a few years ago and thought it might be interesting to see where they were locating their newer stores.

Newer Locations

We took a look at their newer locations to see where they are investing. Below is a map with newer Kwik Trip locations and some noted observations.



Note: While SBS, Inc. tries to be as complete as possible in our newsletters, we are not responsible for the accuracy of the data as it is from an external source.

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Metropolitan Area Focus

There appears to be significant concentration in three major metropolitan areas.

- Twin Cities
- Milwaukee Metro
- Fox City Area (Appleton, Neenah, Oshkosh & Green Bay)

Three common factors seem to emerge as areas of possible focus:

1. Core Metro Market Exclusion

It appears that the core growth strategy excludes development within the existing major metropolitan cities.

2. Transportation Corridor Focus

With an emphasis on sites and communities that extend along the key transportation corridors.

3. Convergence Point

With locations at local or secondary convergence points (e.g. state Highways, County Roads).

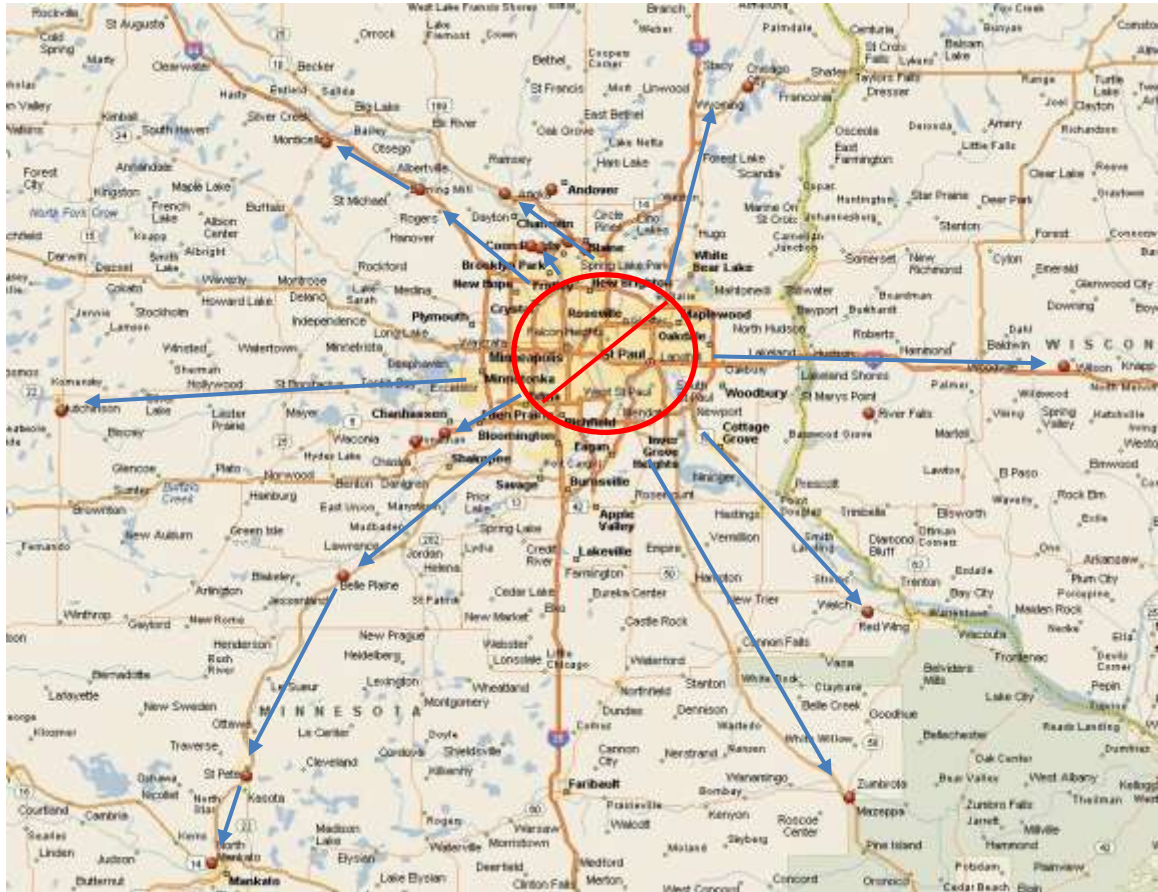
4. Structured Spacing

Finally, the distribution of newer stores appears to have some level of geographic spacing with somewhat tighter spacing closer to Major metropolitan areas and slightly broader spacing along the corridors.

For fun, let's look a little deeper into each metropolitan area...

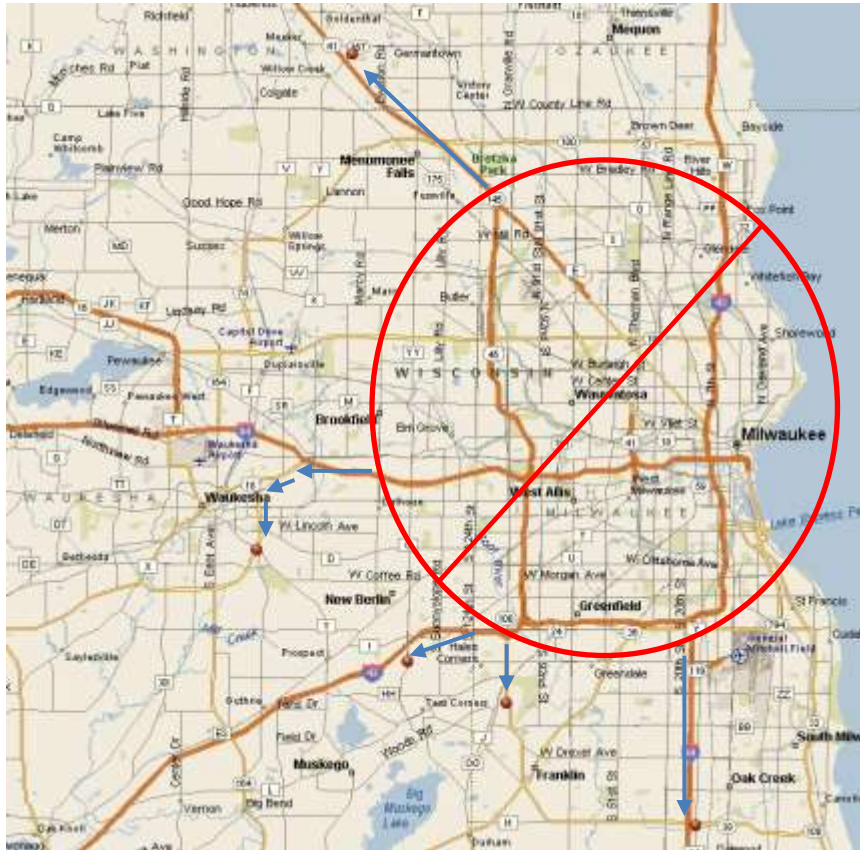
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Twin Cities



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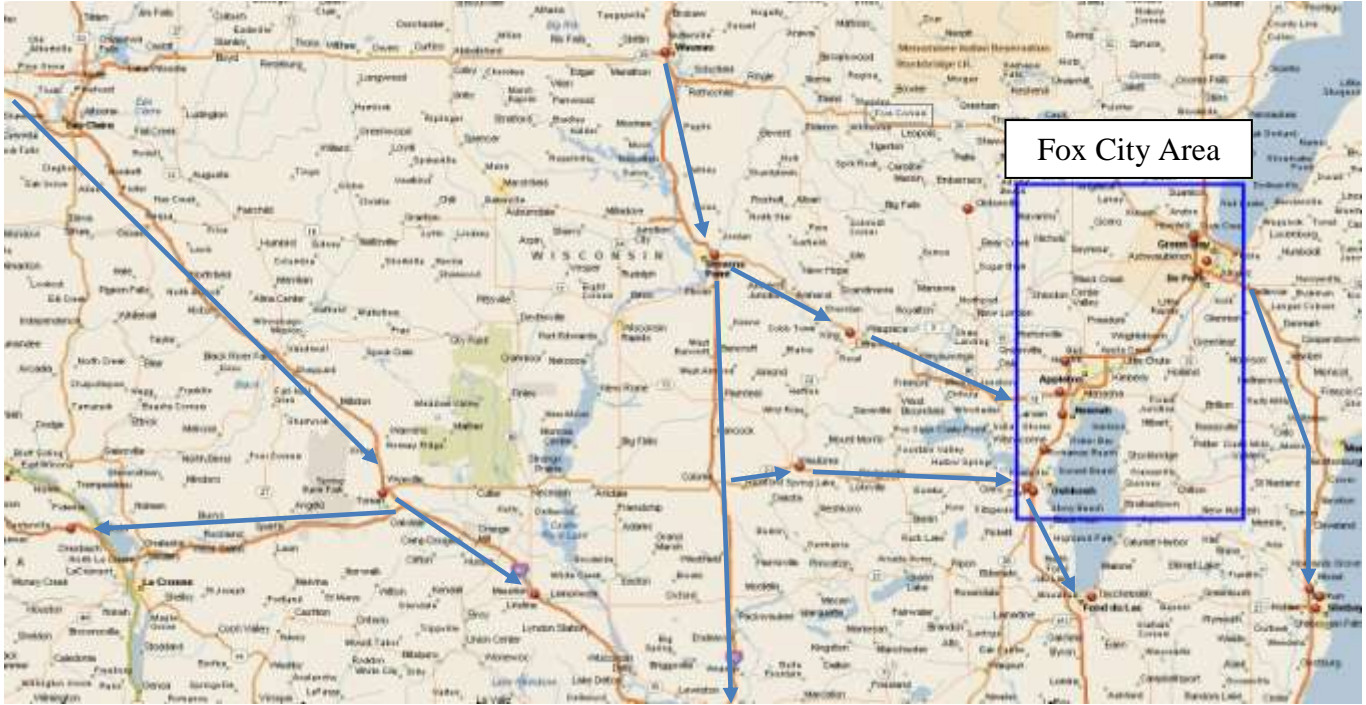
Milwaukee Metro Area



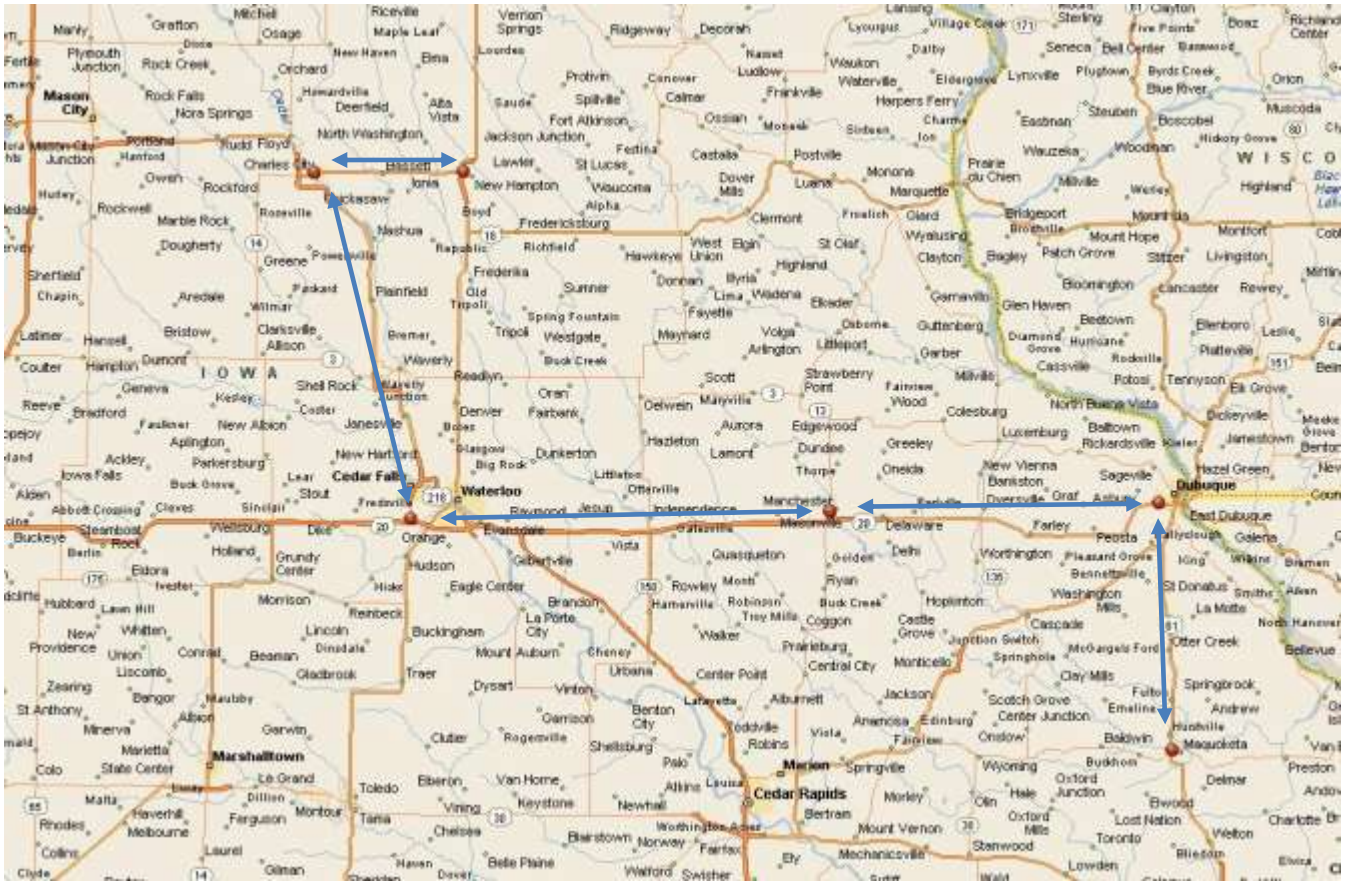
Fox City Area



Central Wisconsin



Iowa



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We could run traffic volumes, demographics and create competitor profiles for each of these newer locations to learn more – but this is just a simple newsletter to help you see a Best Practice approach and for us to not answer the same question in 2014.

So, now that we've answered your most frequent question... why don't you call or email us today to help you create a strategic plan for growing your business.