7-Eleven Serves Solutions Alongside Slurpees

7-Eleven has long been the go-to brand for a Slurpee, coffee, or other quick hit on the go. Now the chain is evolving and expanding its brand position. Its new mission: make the everyday better.

Laura Gordon, CMO of 7-Eleven, shared her company's new brand aspirations at the Hub Live conference, and Rob Chumley, SVP Innovation, expounded on their efforts in an interview I conducted with him. They both emphasized that 7-Eleven was no longer satisfied to be a mere *convenience store* — its leaders want 7-Eleven to be a *convenien experience*.

Chumley explained, "We have been meeting needs for 88 years by being a convenience store defined by products and services in store. We now need to evolve to being a convenient store, defined by the problems its solves — inside the store, outside the store, we meet people where they are."



(Credit: FastCo Design)

According to Gordon, this means satisfying more needs more often. "We're going from thinking about the transaction to thinking about the journey...Customers are expecting us to fit into their lives." They envision an efficient, connected, and hassle free experience and emphasize that this requires their products, service, and marketing to be more relevant, personal, and local. She shared their approach, saying, "To be more relevant, we must build on behavior that's already out there."

This transformation is in large part driven by the 20-person innovation team Chumley heads. They report directly to 7-Eleven's President and CEO Joe DePinto and they're not accountable for results in the day to day business. This means they are more "agile, flexible, and able to identify potential solutions," said Chumley, than if innovation had remained in the scope of the main business units. Chumley's unit is responsible for integrating potential solutions into a testing environment and then iterating them to scale the viable ones into the large organization.

They rely on what he describes as a "sophisticated business system" that is set up to anticipate people's needs, in

part because it reports what is selling in stores and what's not in close to real time. Chumley also pointed to the company's unique scale of operations — 8,000 stores that are open 24/7 — in explaining that its brand strength comes from its dedicated distribution network and high transaction count. "We're serving millions of customers every day and we want to partner with others to be first or last mile of a transaction."

One innovation that his group championed is a partnership with KeyMe, a New York City start-up of digital keymaking kiosks. KeyMe stores a digital copy of your key in the cloud and secures it with your thumbprint, so if you ever need a new key (whether because you're locked out, forgot to leave a key out for your pet sitter, or need to let an unexpected guest in), you can get a new one made in 30 seconds. 7-Eleven started housing KeyMe kiosks in its stores and participated in the upstart's recent round of funding.

Another new service allows Greyhound customers to order their bus tickets online and then pay for and pick them up at 7-Eleven locations. The solution was designed after Chumley learned of Greyhound's high abandonment rate on online bookings. Suspecting the reason was the lack of a payment option for those not wanting to pay with a credit card, the two companies partnered to develop the system. A customer can now use a bar code on a printed order confirmation or on their mobile device to pay in-store at a 7-Eleven cash register. Citing that 30% of U.S. customers are un-banked or under-banked, meaning they have no credit card or checking account, Chumley says 7-Eleven is exploring other solutions targeted to them.

Earlier this month, 7-Eleven started testing on-demand delivery service for select stores in San Francisco and the Bay Area. Its partner of choice for the endeavor is Postmates, the hot mobile app-enabled service behind delivery tests at Chipotle, Apple, and McDonald's.

In addition to developments such as these, the company is also pursuing advanced technological innovations. Chumley's group includes "7-Ventures," the venture capital arm of the company. Started in 2013, 7-Ventures charge is to discover, partner, and invest in consumer-facing technologies to complement 7-Eleven's core business strategy in retail and foodservice. The group is investigating new technologies, networks, platforms, and even thin tech, and currently has relationships with six companies.

While his group is new, Chumley explained that ever since 7-Eleven started in 1927, it has been innovating. He recalled a list of "firsts" — 7-Eleven was the first convenience retailer to stay open 24/7, to have fuel pumps, to sell coffee to go, and to offer self-serve fountain. So these latest efforts are simply continuing the company's tradition of innovation, he said. In fact, 7-Eleven's founder, Joe C. Thompson Jr., used to say its mission was to "give customers what they want, when and where they want it."

With Slurpees on demand and other new never-knew-l-needed-but-now-can't-live-without services, apparently the company is doing just that.

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