

CHEVRON'S EXTRAMILE FRANCHISE

agency re:group inc. | client Chevron | industry franchise

re:group has really taken the time to understand our issues and needs and addressed their work accordingly. Their work product is extremely thorough and well thought-out, which reaffirms their experience and expertise in the franchise industry. They have constantly stayed proactive and engaged and have done much to drive the process. And not to be left out, I truly enjoy working with the individuals as they are both professional and personable. There is not one day that goes by that I regret my decision in hiring re:group for my project.

— Karen Baker, Brand Manager



When Chevron, the second-largest integrated energy company in the United States and among the largest corporations in the world, decided to develop a franchise convenience store, they asked us to help define the structure of their advertising program, develop a brand position for their new “ExtraMile” concept, and design the franchise marketing materials to sell the program to their existing dealer network.

HOW A CALIFORNIA-BASED PETROLEUM COMPANY GOT HOOKED UP WITH AN ANN ARBOR MARKETING FIRM

Chevron understood that marketing a franchise is quite different than marketing petroleum products and realized they could use some expert help to structure and market their new program. They reached out to the International Franchise Association who thankfully referred them to us. During the agency review, we demonstrated our knowledge of franchising and the value that we would bring to the process. That presentation helped us win the project over other contenders (including their agency of record at the time).

BUILDING THE STRUCTURE

Before Chevron could begin selling the franchise concept to their existing dealer network, they needed to define and structure the program. Our Discover process began with a comprehensive review of the offer and a best practices analysis. Through interviews with Chevron dealers, we learned about their current relationship with the brand, their expectations for how a new franchise system would work, and what they would expect Chevron to deliver in order for them to participate. We also interviewed executive stakeholders to understand their vision for the new franchise system.



Based on the knowledge we gained from our Discover process we recommended a centralized franchise marketing system, including franchisee contributions to an advertising fund. We drafted ad fund and co-op bylaws and defined the essence and brand position of ExtraMile.

LEVERAGING A STRONG BRAND

With the brand statement and essence as their guide, our creative team designed a franchise program brand image that was distinct to ExtraMile, but also complemented Chevron's corporate brand. It formed the basis of franchise sales materials that included images of pilot stores so that prospective franchisees could see themselves and their customers in the environment.

SELLING THE VALUE OF THE PROGRAM

Chevron dealers were already successful on their own, so we had to convince them that converting to a franchise and its associated rules and fees would be more beneficial than the independence and profitability they were already enjoying.

We had to prove that Chevron had taken the c-store offer to a new level, providing an opportunity to capture incremental sales from a subset of heavy c-store users with this new concept. Consumer trends in shopping and c-store use, research conducted with heavy c-store users, pilot store dealer testimonials and vendor alliances all formed the foundation for franchise sales materials.



We used the voice of the customer and the dealer to make our case. We coordinated consumer and dealer photo and video shoots to capture the environment and experience at ExtraMile pilot stores across California. We created a franchise brochure that outlined the benefits of the offer, and featured videos showcasing consumer and pilot retailer reactions to the new concept. Our Discovery Day materials highlighted the benefits of the franchise, piqued their interest, encouraged their participation and asked for the sale.

KEEPING THE SHELVES STOCKED AND THE MOMENTUM BUILDING

After a Chevron dealer converted to an ExtraMile franchise, Chevron needed to communicate their retail merchandising and promotional programs to the new franchisee. Working with our Chevron team, we created monthly promo guides that detailed product buy-ins and provided information about how to display the month's on-premise marketing materials. These consistent and timely communications kept the franchisees informed, involved and engaged, helping them make the most of the new franchise format.

HOW'D IT ALL WORK OUT?

In the first 18 months, 195 franchises were sold and 360 ExtraMile stores were opened. Convenience Store Decisions named Chevron's ExtraMile the 2008 "Chain of the Year." Convenience Store and Petroleum ranked them #1 in First Year as a Franchise. Mystery shoppers ranked ExtraMile #1 in 2007 and 2008. We'd have to say that it all worked out pretty well.



Founded as a branding and design firm over 30 years ago, we added advertising agency services to meet the diverse needs of our clients. Today, we are an integrated marketing agency that helps companies transform their brands and grow their businesses. We work collaboratively with each other and with our clients to provide strategic clarity, insightful creative and digital and traditional marketing programs that build brand engagement and business value.

Our years of experience working with franchise, health care and financial services companies has made us experts in helping complex organizations achieve success. We help them manage their distribution channels, align and motivate their internal teams and deliver a consistent brand experience at every customer touchpoint.

The growth and financial success of our clients is the ultimate measure of our work, and we let our results speak for themselves.
