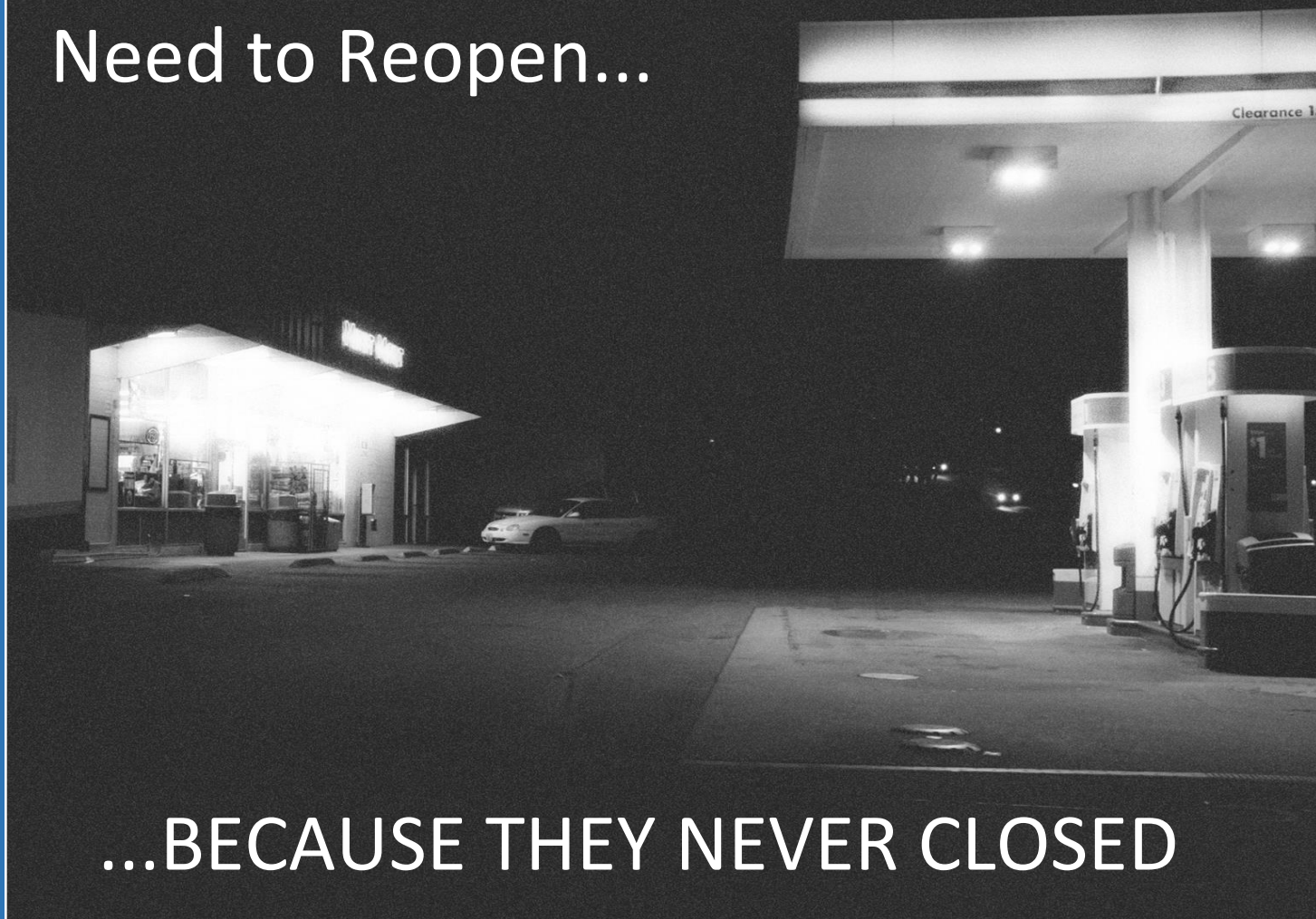


Essential Businesses Do Not Need to Reopen...



...BECAUSE THEY NEVER CLOSED

*5 Questions You Need to Address to
Get Back in Business and Stay Safe During the Pandemic*

**Lessons from Convenience and Grocery Stores
for Retail and Restaurant Reopening**

By Craig Fugate | KC Chartrand | James W. Morentz, Ph.D.

SABER

Essential Businesses Do Not Need to Reopen... Because They Never Closed

5 Questions You Need to Address to Get Back in Business and Stay Safe During the Pandemic: Lessons from Convenience and Grocery Stores for Retail and Restaurant Reopening

Everyone wants to reopen. Businesses across the country, however, are getting conflicting guidance from one jurisdiction to the next on how to reopen safely as the pandemic subsides. To avoid mistakes that could trigger another rise in Covid-19 contagion and force closures again, businesses should look to the practical experiences of hundreds of thousands of businesses that never closed.

Working with the National Association of Convenience Stores and FMI - The Food Industry Association we have identified more than 250,000 businesses provided by Safegraph, Inc. across the country that sell food products. These are groceries, convenience stores, markets, seafood stores, bodegas, and many more. These businesses never closed and have learned valuable lessons about how to keep their employees and their customers safe so their businesses can survive and, in some cases, even thrive!

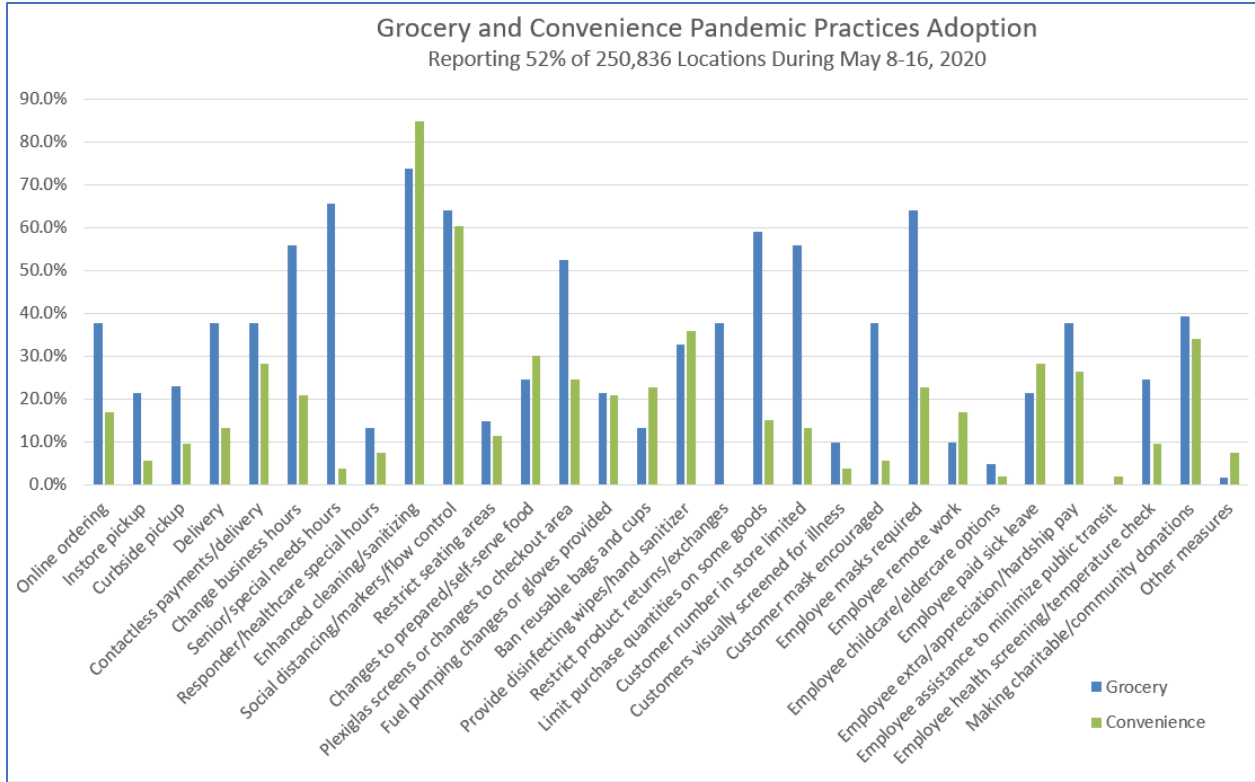
SABER is the Single Automated Business Exchange for Reporting. Since 2014, SABER members facing major emergencies have reported their business status to a single site from which government agencies gather an understanding of the frontline situation from businesses in a community and aggregated that information up to states and regions. In this nationwide pandemic, SABER has focused on essential food businesses that have remained open in order to provide other types of storefronts with proven guidance for reopening – and staying open.

SABER has now collected what we call Pandemic Practices from more than 130,000 locations across the United States. Pandemic practices are tangible measures for keeping the business open safely. SABER provides a website for businesses to describe the practices they are using and a free mobile app that contains useful content about staying open. But most importantly, our purpose is to allow a business to look at a map and find those neighborhood businesses that have remained open, see what local conditions allow them to be open and learn what they are doing to remain open.

The Pandemic Practices we have identified and monitored through websites, press releases, and articles during the period May 8-16 are shown in the chart. The 30 specific tangible measures appear to be designed by convenience and grocery stores to answer five big questions:

1. **How does our business need to change to get/keep customers coming back?**
2. **What can we do to make our physical facility safe?**
3. **How can we keep viral contamination outside?**
4. **What employee protections, physical and economic, do we need to provide?**
5. **What can our business do to help the community?**

The chart on the following page shows the percentage of the 130,000 businesses that adopted specific pandemic practices. The vast majority of stores (75-85%) stepped up their cleaning and sanitizing procedures to reduce the likelihood of viral transmission via interior surfaces. Most stores also made changes in the ways they deal with customers. Two groups of measures have impacted business-customer interaction. The first group are changes to business operations to accommodate customer *perceptions* of safety. These helped a site stay in business. The second group are measures to reduce the viral contamination introduced by customers. Finally, stores have implemented significant measures to protect their employees and contribute to the well-being of the community.



1. Business Restructuring

To be essential and remain open meant changing the way convenience and grocery businesses interacted with their customers. According to a C+R Research survey, 60% of U.S. consumers report being too frightened to shop for groceries because of the coronavirus. The report found that 73% of respondents said they were visiting physical grocery stores less than before the pandemic began.

An evolving set of changed business behaviors addressed these concerns. These included changed business hours, senior/special needs hours, responder/healthcare special hours, online ordering, instore pickup, curbside pickup, delivery, contactless payments/delivery.

The 24x7 operation in convenience stores likely explains why special hours were more popular in grocery stores by more than 30%. One of the first acts of retail in the pandemic was establishing special morning hours strictly for seniors, pregnant women, disabled individuals and those who are immunocompromised or who have pre-existing conditions. As time went on, however, concentrating several at-risk shoppers into a store at the same time raised concerns from health experts, and even a few grocery chains. As a result, companies have pushed the online and delivery alternatives for the special customers. H-E-B, Trader Joe's, and Meijer of Grand Rapids, Michigan extended operating hours to allow more time for customers to shop. Publix Super Markets ended its twice-weekly reserved shopping times for seniors, first responders and health care workers, which the grocer had instituted in March during the initial stages of the pandemic.

Food delivery and mobile checkout are alternatives being promoted. A mobile app has allowed 7-Eleven restaurants Laredo Taco Company and Raise the Roost Chicken & Biscuits to safely remain open to serve customers throughout the pandemic," said Chris Tanco, chief operating officer, 7-Eleven.

Consumers recognized the need to restructure interactions with businesses. The May 2020 Magid Food & Beverage Consumer Insights Tracker highlighted online shopping as appealing to 37% of respondents who said they like not having to touch anything and 33% reporting favorably on no in-person interaction, another 55% calling out no-touch payment options, and curbside pickup (51%).

At the pump, Kum & Go released a new mobile fuel pay experience for its 400 locations. Customers get a personalized fueling experience, a rewards program, and especially for the pandemic lets users skip the keypad and activate the pump with their smartphone.

Smaller purchases in convenience stores probably account for the 10% to 20% greater adoption by grocery stores than convenience stores in online ordering, delivery, and pickup options. For example, StrasGlobal, based in Temple, Texas, introduced its first online ordering and curbside delivery at two stores in Texas. Said StrasGlobal President Roy Strasburger “We have been looking at several loyalty and mobile ordering programs for a while, but obviously this crisis required immediate action,”

Lessons Learned: *Convenience and grocery stores successfully remained open and restructured their businesses to adapt to the pandemic. Businesses reopening should examine their current business processes and reflect on consumer needs, fears, and changed economic situation to vary their products and services. A modest change may make the difference in business success and community health.*

2. Facility Safety

Once a customer gets onsite, businesses had to assure that they were not the source of an outbreak. Enhanced cleaning/sanitizing, social distancing/markers/flow control, restricting seating areas, changes to prepared/self-serve food, and Plexiglas screens or changes to checkout area were all measures employed to alter how customers come in contact with the business. This combination of physical changes and customer behavior management all contributed to continuing to deliver services.

Enhanced cleaning became part of pandemic practices for more than 70% of groceries and 80% of convenience stores. Seeing how cleaning is done matters to a substantial majority of customers, the Magid survey found. “Having ‘disinfection specialists’ in brightly colored vests, and running cleaning or scanning robots during open hours, are all going to be the new normal. Doing these recognizable acts that are now in plain view to the public is important to the perception of a clean facility, and one that cares about their customers,” said Chris Wright, cleaning expert and vice president at Brain Corp.

More than 60% of convenience and grocery stores used visual floor markers and flow control to indicate proper social distancing. Over time, refinements in this pandemic measure led The Giant Co., Carlisle, Pennsylvania, to remove the directional signs and arrows indicating one-way foot traffic after receiving shopper feedback that its one-way aisles designed to promote social distancing were actually making it more difficult to navigate its stores in a timely fashion.

Plexiglas shields were adopted by about 20% of both groceries and convenience stores. For Schnucks, a St. Louis-based grocery, they found that social distancing works in aisles and other areas of the store, but can be challenging at checkout lanes, pharmacies, and service counters, said Paul Simon, Schnucks’ senior communications specialist. The added level of protection provided by the shields delivers additional safety for the retailer’s teammates and customers.

Restricting seating areas and changing access to prepared/self-serve food were used by a fraction of stores and with other measures in place, are beginning to change. Lessons from Pilot Flying J led to reopening its 750-plus restaurant locations as allowed by local regulations by “following local and state social distancing and capacity requirements to ensure safety for all,” said Stephanie Myers, external communications supervisor.

Wawa has begun to restart its self-service coffee and fountain drinks after shutting down the service during the pandemic. Wawa said in a statement: “Resuming some self-serve beverages will improve convenience and speed during store visits, enabling customers to get in and out faster to maximize social distancing.”

Lessons Learned: *Reopening businesses can regain consumer trust by providing visible indicators of their commitment to health and safety. Essential businesses kept their customers coming back by catering to consumer perceptions.*

3. Outside Contamination Mitigation

Cleaning and social distancing protect, but keeping the virus out is even more important. Measures include banning reusable bags and cups, providing disinfecting wipes/hand sanitizer, limiting number of customers in store, limiting purchase quantities on some goods, visually screening customers for illness, encouraging customers to wear masks, and restricting product returns/exchanges.

Keeping a sick customer out of a store would seem the most effective way to reduce contagion from outside. Visually screening a customer takes place in 10% of grocery stores and 4% of convenience stores. In contrast, in Hong Kong, where businesses never were forced to close and infection rates remain low, virtually every customer’s temperature is taken before being allowed to enter.

Instinctively, consumers know that other measures to keep virus out are the best protection. How did convenience and grocery retailers anticipate these desires?

On the list of actions retailers must take to earn customers’ trust, the survey by Magid found 66% of consumers wanted sanitary wipes or a sanitation kit for shoppers at the front of the store, and about a third of convenience and grocery stores accommodated. In the survey, consumers supported requiring face masks on all customers (62%), and 35% of grocery stores and 5% of convenience stores accommodated. Similarly, limiting shopper capacity in stores was desired by 58% of those surveyed, and 55% of groceries and 14% of convenience stores implemented such policies.

Keeping the virus out also meant banning reusable bags and cups. Black Crow Coffee Co. said early in the pandemic that it would no longer accept personal mugs and even went so far to suspend using their own mugs and dining ware, replacing them with compostable alternatives. Thirteen percent of grocery stores and 23% of convenience stores did the same.

Gas stations at both convenience and grocery stores immediately recognized fuel pumping as a high probability contamination location and 20% of both either changed how fuel is pumped or provided disposable gloves for customers. The Magid survey showed that providing protective gloves for shoppers or requiring their use was viewed as a positive feature of a store by 52% of respondents.

Lessons Learned: *When a business reopens the lessons from convenience and grocery stores show that the customer-business interaction will be different. Businesses that minimize the introduction of the virus into their space will remain open. Not being vigilant will result in lost revenue when closed and the expense of thorough cleaning, to say nothing of damaged customer perception of the business when they see the sign outside, “Closed for Coronavirus Cleaning.”*

4. Employee Protection

Employee protection has two objectives: health and employee availability.

Keeping a sick employee home is critical. Employee paid sick leave and requiring employees to stay home if sick without concern of losing their jobs is extremely effective in reducing transmission. Groceries (21%) and convenience stores (28%) both recognized that one sick employee can infect the rest of the staff, resulting in complete closure of the business for days.

Health measures are not only about keeping employees safe and effective but also about presenting to customers a safe and responsible image. More than 60% of grocery stores required employee masks. Employee health screening/temperature checks were a on the minds of 57% if consumers in the Magid survey yet only 25% of grocery stores and about 10% of convenience stores provided these. Filling this perception gap could be important to expanding business reopening.

The other side of employee protection is employee availability, both keeping employees healthy and retaining them. With Walmart alone hiring more than 100,000 new employees to meet pandemic demand, employee retention is a high priority. Five pandemic practices address employee availability and satisfaction. Grocery and convenience stores supported employee remote work (10% and 17%), but only modestly supported employee childcare/eldercare options, and employee assistance to minimize public transit.

Employee extra/appreciation/hardship pay was provided by 38% of groceries and 27% of convenience stores. Some gave a temporary \$2 hourly increase, a one-time pay bonus or both. As the longevity of the pandemic is now anticipated, many companies have announced an end to paying those higher wages to employees in stores, warehouses and on the road. When objections are raised by employees, companies including convenience stores such as Wawa, Kwik Trip, Sheetz, 7-Eleven and others counter that they have expenditures in their proactive preventative measures to protect employees, including supplying PPE such as masks, gloves, and clear barriers at the register, and therefore have lowered the risk to the point where bonus payments are unnecessary.

Lessons Learned: *Grocery and convenience stores have lived the rush to hire employees because of increased business, the need to retain employees with bonus pay, and the beginning stages of employee discontent with ending of extra pay and health concerns. Reopening business likely will face the same issues.*

5. Community Help

Forty percent of grocery stores and 34% of convenience stores have been active in making charitable/community donations. These percentages are probably an understatement because individual stores seem engaged in very local community assistance.

On the high end, Wawa's 842 location Community Care and store teams have provided more than \$1 million in COVID-19 hunger-relief to date and continue to distribute food and meals throughout its communities to families, seniors and some of the most vulnerable individuals. Rutter's with 72 locations has donated more than \$50,000 worth of food and beverages to the Central Penn Food Bank to help support local communities. Parker's 46 stores recently donated more than 7,000 KN95 masks to frontline health-care providers at hospitals and health-care facilities throughout coastal Georgia and South Carolina during the COVID-19 pandemic. And an individual ShopRite store in Connecticut teamed with the Town of Vernon offer a touchless, drive-thru service at a local high school that allows shoppers to choose from three prepackaged bags of food and essential items which cost between \$20 and \$25 each.

Lessons Learned: Across the country, the vast majority of large brands and individual stores are showing their dedication to their communities. This reinforces customer positive perception and may increase brand loyalty. Reopening businesses should learn these lessons to reintegrate themselves into the community as quickly as possible.

Reopened? How to Avoid Reclosing

While there are many lessons about pandemic practices to be applied from the essential convenience and grocery businesses to those companies now reopening, the most important one is that everything matters. The virus can affect a business in many insidious ways and the most comprehensive defense is necessary to avoid the stigma of reclosing because of COVID-19 contamination.

Attracting customers requires you to satisfy their needs and adapt to their fears by restructuring your interaction with them to do business on their terms. Then, when you succeed in getting them in the door, the defense is on your turf. To keep customers and employees safe, cleaning, social distancing, and other visible changes to your business produce sanitary conditions and perceptions of security. Of the measures that keep the virus out, masks are the most important to prevent spread. How you promote or demand mask use and deal with the small minority that make masks an issue may well establish your new normal for customer loyalty. Grocery and convenience stores established a benchmark for employee economic rewards and health monitoring that now are claimed to be unsustainable. A reopening business may find those lessons instructive as you open for the long-term rather than respond to an emergency. Finally, essential businesses endeared themselves to the community through public-private partnerships and volunteerism in the pandemic. Reopening businesses should continue and expand that contribution to reengage the community.

Reopening is not a new process to be invented. Substantial experience, valuable lessons, and obvious attention to health security measures achieved by convenience and grocery retailers throughout the pandemic should allow others to return their business to the next normal.

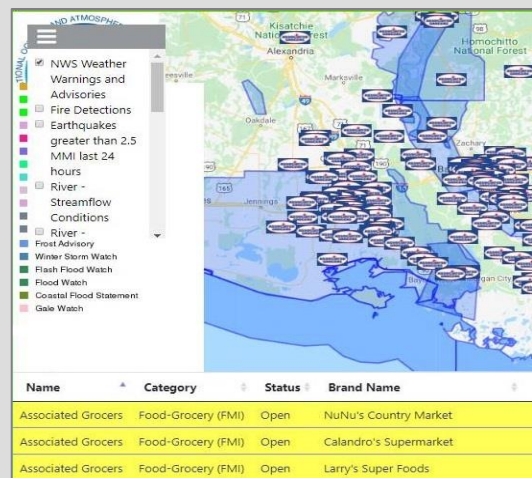
YOU CAN GET SABER FREE FOR COVID-19 AND MORE

SABER Slashes the Burden of Sharing Business Status Data to Influence Government Response. Corporate leaders who have dealt with any major disaster know that managing business status data before, during and afterward puts stress on their operations. That burden is compounded by the need to share the latest data again and again with government agencies. One national retailer said that his team sent updates, often twice a day – via email and phone – to 1,000+ local, state, and federal agencies during hurricane season.

Save Time When You Need It Most with Quick, Easy Data Uploads. SABER simplifies data sharing during an emergency by enabling you to upload your business status data via spreadsheet, automated interface, or mobile app. Government agencies can then access accurate, timely, standardized intelligence whenever they need it to prioritize response operations and mitigate impacts on your business and community.

See Where Your Business Might Be Impacted by Potential Hazards. SABER geo-locates your business status in context with hazard awareness data so you can readily see which of your offices, stores or other facilities are likely to face higher risks. For example, at right is a SABER map (from SpotOnResponse) that shows where one firm's stores fall within NWS Weather Warning/Advisory zones.

For more information about SABER's role in COVID-19 response AND how your business gets SABER free of charge visit saberspace.org.



Published by

SABER

About the Authors

Craig Fugate is former FEMA Administrator and a SABER Advisory Board Member

KC Chartrand, is a communications consultant and SABER Advisory Board Member

James W. Morentz, Ph.D. is the Executive Director of SABER

SABER, the Single Automated Business Exchange for Reporting, helps businesses facing major emergencies stay open longer and reopen faster. By providing a streamlined platform for collecting information from companies, SABER saves them time and effort reporting to agencies at all levels of government so those agencies (and other businesses) can provide faster, more effective support.

SABER is a non-profit government-industry partnership funded in part by the US Department of Homeland Security (DHS) Science & Technology Directorate. SABER community members include thousands of companies now deemed Essential Businesses by DHS for the COVID-19 crisis.

SABER partners include:

