

Create the Internet of Your Things

Customer Article



Overview

Country or Region: United States

Industry: Retail

Customer Profile

Kwik Chek Food Stores is a chain of convenience, grocery, quick food, and gas venues with 39 locations across Texas and Oklahoma.

Business Situation

To increase customer satisfaction, Kwik Chek implemented a mobile commerce and behavioral marketing platform with personalized services and a streamlined path-to-purchase.

Solution

Kwik Chek transformed its business by connecting POS apps running in stores and on mobile phones with the cloud. Customers can use phones to locate stores, pay securely, and receive reward points and targeted digital offers. The company leverages the cloud-based POS system for quick, reliable transactions and advanced analytics.

Benefits

- Increases customer loyalty with improved convenience and personalized service with digital offers
- Operational efficiencies transform business operations quickly and affordably, connecting stores within four hours
- Predicts anomalies with increasing precision by receiving alerts from the system, and feeding information back into it to identify root cause

P97 Networks innovates the retail fuels industry with IoT

When setting out to create [Kwik Chek's](#) innovative gas station technologies, [P97 Networks](#) took aim at several persistent industry-specific problems. The burgeoning retail fuels industry is saddled with siloed, legacy technologies that are often unreliable, and require cumbersome management and maintenance processes. In addition, the industry has long been challenged to attract and retain customers who will stay loyal throughout fuel-price fluctuations; [Kwik Chek](#) estimates that more than 70 percent of fuel customers never set foot inside the store — a lost opportunity for sales.

Seeing an enormous opportunity to transform this multibillion dollar industry, P97 utilized [Microsoft Azure IoT services](#) and other Microsoft technologies to pioneer two solutions at Kwik Chek locations: [PetroZone Mobile Commerce](#), a mobile app that enables navigation, cashless payment and smart digital offers; and [PetroZone Retail Fuels Module](#) (RFM), a cloud-based point of sale (POS) solution based on [Microsoft Dynamics AX](#) that connects legacy systems with centralized management capabilities to enable improvements in inventory, pricing and supply processes.

"We knew the time was right to deliver a world-class solution into retail fueling," says Don Frieden, P97's president and CEO. "If you look at what's going on in the industry, mobile commerce is opening up new channels to drive market innovation — to everything from alternative payment methods to transforming the point of purchase experience for the consumer," giving price-sensitive and hurried customers new reasons to become regular, loyal customers — who visit more often and buy more than just fuel.

A simple solution

P97 knew that for its solutions to be embraced by convenience store customers — many of which are "mom-n-pop" or single-store operations — it would have to work with a variety of existing infrastructure, systems and technologies, since there is little uniformity of technologies in the industry. To that end, the RFM module's "software as a service" POS component is easy to implement.

"Customers can download this point of sale app to a conventional piece of hardware, such as a tablet device, and now they have a mobile point of sale system to run their store," says P97's Chief Technology Officer Lew Bezanson. "It will be hosted and maintained for them. It's as simple as downloading the app, a little bit of configuration, and they're ready to move into the modern point of sale world."

Dynamics AX provides centralized back-office functionality that includes everything from accounting, human resources, inventory and supply-chain management, and price book to POS functions and loyalty capabilities. It's also an integration framework that connects into fueling site systems and controllers, fuel device controllers, electronic payment servers, car wash systems, fuel pumps, and other hardware specific to the industry

Installing the system requires very little downtime and minimal if any capital expenditure. And it enables remote and automatic pricing, inventory and compliance updates — a big draw in this industry. "We've had clients say 'it takes three years to do a compliance upgrade across our sites,'" says Bezanson. "And you're thinking, 'three years, are you kidding me?' Speed to market is what we



are offering our clients; speed to market and innovation.”

Valuable new data

Fully integrated with the POS system, the Azure-based PetroZone Mobile Commerce system also connects to a loyalty system to enable unprecedented insight into customer data. That gives P97's customers a powerful edge over competitors: “For the first time, retailers will know the time, location and identification of a customer at the point of opportunity,” says Bezanson. That data is fed into the Azure-based solution and uses mashups to deliver relevant discount offers to consumers. It will also report on whether a consumer acted on an offer; in the future, Bezanson says, the system could pull in data streams on everything from weather to world events to feed into dynamic marketing campaigns. “From a consumer packaged goods standpoint, some of our customers have told us that the analytics and digital offers we provide with PetroZone are enabling true dynamic marketing that could reduce their marketing campaign costs by as much as 60 percent.”

Those retailers will now know which offers work, when and on whom, with greater insight into overall buying patterns, inventory and supply-chain needs, price fluctuations and more. In the near future, P97 will add even greater data streaming and visualization capabilities, building in [Azure Stream Analytics](#) and [HD Insight](#), push notifications to the consumer app via [Azure Notification Hubs](#), and predictive capabilities with [Azure Machine Learning](#).

Partnership is key

P97's long history of working with Microsoft goes back at least a dozen years; for Bezanson, partner support was key. “Direct access to Microsoft engineering was very important to us, because we knew that we were going to be on the leading edge of development,” says Bezanson. “Also, Microsoft has pretty well mastered this concept of identity, and we wanted to leverage that experience. And we are very comfortable with Azure SQL database.”

The two PetroZone solutions were created in sequence. “First, we worked with Microsoft and visionary clients to create Microsoft's Retail Fuels and Marketing Reference Architecture,” says Frieden. That's a blueprint for technologies to innovate the industry. “We took that to Kwik Chek to get its feedback on its applicability to help it transform its business. What intrigued Kwik Chek was taking advantage of the capabilities of mobility and the cloud.”

Kwik Chek debuted the PetroZone Mobile Commerce platform at one of its locations in Dallas in March 2014; shortly after, with new chip-and-pin compliance standards looming in October 2015, Kwik Chek evaluated different platforms to get into compliance and chose P97's Retail Fuels Module powered by Microsoft's Dynamics AX modern POS solution.

In addition to rolling out PetroZone to all 39 Kwik Chek retail fuels locations, P97 is targeting nearly 5,000 other locations in 2015 — a big chunk of the market and potentially a turning point for the industry. “I would say that the impact on the market will be as impactful as iTunes was to the music industry,” says Bezanson. “You are transforming an industry with the cloud.”

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www.microsoft.com

For more information about Kwik Chek go to:

www.kwikchekstores.com

For more information about P97 Networks go to:

www.p97.com

Create the Internet of Your Things

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