Invigorating Insight

Bassem Nowyhed did not learn how manufacturers can move their products off retail shelves from the business administration degree he earned in 2011 from the University of Southern California. That did give him the equivalent of a Ph.D. in networking among the Trojan universe of alumni.

"You come out of USC with friends and connections from your professors and classmates to business leaders in every field," Nowyhed says. "You develop relationships that start with listening to what others need, being authentic, offering help in whatever way you can, and building trust."

But understanding why consumers buy a certain product over another was a lifelong process that started when he was a child, helping his father at the family's ampm/ARCO gas station and convenience store.

"I might have wanted to go play basketball with friends, but my dad would drive by and honk his horn, saying he needed me," Nowyhed recalls. "I would spend my time there



Bassem Nowyhed photo by Matt Marsheski

Invig Consulting CEO, Bassem Nowyhed, mastered the secret of how to meaningfully connect with others while helping brands understand the way of presenting products in convenience stores from a psychological buying perspective.

sweeping the floor or bagging ice, breaking down Gatorade boxes and merchandising the bottles so they would sell. I learned about traffic flow and impulse buying, why it was a good thing when customers left a mess by the coffee, because it told you that's where they were aggregating.

ARCO has always had a reputation of having low prices for gas as the hook to get buyers into the store for the shopping experience.

Father and son now co-own three ampm/ARCO locations: Studio City, Lincoln Heights and Palmdale.

"The primary benefit of a franchise is that you don't have to come up with the systems and structure of running a business, which is always much more complicated than a first-time entrepreneur might imagine," Nowyhed says. "At the same time, you don't have to pigeonhole yourself and feel your hands are tied, only following the script the franchisor

provides.

“You can take advantage of opportunities to improve your business and innovate. For example, ampm/ARCO wasn't telling us to get onto food delivery platforms, but we were one of the first to offer service by Uber Eats, Postmates, and DoorDash. As a result of our experience, DoorDash is now in talks with ampm corporate about a possible national roll-out."

He says only 70% of the typical convenience store skus (stock-keeping units or different types of items and sizes) are mandated by the franchise. In theory, there is plenty of space for new products, but there is immense competition and most small manufacturers don't know how to pursue the opportunity in an effective way.

"C-stores have planograms that lay out the schematics on where and how the required products are to be displayed, so if an owner agrees to accept something new, it needs to be fitted into that," he explains. "Too many vendor reps think they can just drop off the new merchandise and leave it to the owner to figure out the best place to put it. That often means it will get stuck into some corner or put behind the counter where the customer can't easily even see it."

Last year, Nowyhed, 32, co-founded Invig Consulting, shorthand for services that will “invigorate” retail sales for clients, drawing on their combined retail experience.

"Many vendors think they should start with trying to get into the supermarkets or big chain stores, but that means paying for shelf space and then the new product usually gets lost in the shuffle," he says. "On the other hand, trying to sell directly to each c-store owner would be a very slow process, but they know us and we can make introductions. We like to start with the packaging because that makes a huge difference in whether the product becomes an impulse buy."

Invig provides a checklist for not only how to get the right shelf space, but to run effective brand promotions. Many of the new offerings are, of course, for personal protective gear like masks and sanitizers, but consumer interest is driving all kinds of health and wellness products, including snacks, protein bars and functional benefit beverages.

"People are paying much more attention to what they're eating and drinking," Nowyhed observes. "They've realized that junk food has a high cost--it's like putting bad fuel in your car that eventually harms the engine."

The pandemic has, of course, forced all businesses to pay closer attention to every aspect of how to keep employees and customers healthy.

"We've always run one of the cleanest franchises because people eat first with their eyes before their mouths," Nowyhed says. "We've done a good job of training everyone to work with gloves, sanitize, manage social distancing, and limit the number of customers in our stores. We installed a window in each so that one person can work the graveyard shift and give the customers coffee or snacks that way. We haven't had to lay off anyone or shut down."

Nowyhed hasn't had a problem finding effective employees because they usually come through referrals from current workers. "I tell them not to feel limited by their job description," he says. "In retail, you find out how to deal with demanding customers and the best ways to merchandise, so it's a great way to learn how to be a manager or an entrepreneur. I set an example by doing everything from cleaning the restroom to working the register." — By Scott S. Smith, Staff Writer, California Business Journal

[Editor’s Note: In 2018, Nowyhed co-founded Just Cause Inc. to celebrate artists, musicians, poets, and other creatives with donations and publicity, even connecting some to major brands that may be interested in sponsoring artists.]

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