

TRIO: A BEER, WINE AND CHEESE MODEL FOR RETAIL SUCCESS

BY MICHAEL KUDERKA

What do you get when you bring together a beer, wine, and cheese retail shop, with a wine bar, tap house and a bistro, and combine it all in one retail space? The ultimate beverage and food destination experience of course.

Located in Kitty Hawk, North Carolina on the states' Outer Banks, Trio offers a large open space with about 1/3 of its non-kitchen square footage dedicated to beer, wine, and specialty cheese retail, another 1/3 set aside as a comfortable lunch and dinner Bistro, and 1/3 upstairs mezzanine area that includes additional lounge-style seating, billiards, and a tasting bar. The mezzanine also serves as a private event space.

The Bistro menu is uniquely designed to pair with either beer or wine and offers a number of options to sample the extensive cheese selection. The wine selection is also extensive, and we found the use of WineStations for some of their more popular wines to be a brilliant selling approach.

By becoming a place to experience beer, wine, and cheese and not just an in and out retailer, Trio has become a beer, wine, and cheese selling powerhouse.

We caught up with John Minnich Proprietor, Beermonger at Trio to understand where the concept came from and where he sees it going.

BT: We have seen both large and small retailers sell cheese along with their beer and wine selection, but never like this. What was the genesis of the Trio concept?

JM: *Several years ago I was shopping for wine at my favorite wine shop, Native Vine, when Kenny Hyman, the shop owner and a friend of mine, asked me if I had some time to hear about an idea he had.*

He talked of an environment reminiscent of a European village square. A place where

people gathered to have a bite to eat, and have a glass of beer or wine, listen to some live music and hang with their friends.

The vision was to create a wine, beer, and cheese shop that offered a destination experience, built on a personal connection to our customer base.

BT: Trio is truly an experience destination, really just the opposite of the Drive Thru beer retailer, who is the Trio target customer?

JM: *The Drive Thru customer is looking for speed and convenience. While we can be a quick stop, most people who come in prefer to linger, taste, and shop our extensive variety, often with a glass of beer or wine in their hand.*

The fact that we effectively have multiple businesses under one roof, really allows us to appeal to a wide range of customers. Foodies, wine connoisseurs, cheese lovers, beer geeks, value shoppers, music lovers, or even people who are just interested in learning what this craft beer (or wine or cheese) thing is all about.

BT: Everything seems to be focused on pulling customers in and getting them to stay a while and then come back for more. Is that the key to success?

JM: *We are a locals-based business, and our local, regular customers are the foundation of our success. We sought to create the kind of communal environment that allows people to be comfortable, at ease, and feel like they are guests in our home. We talk about the 'Third Place Theory' - people have their first place - home, their second place - work, we want to be that third place.*

I feel that another key to our success in this area is our staff. Being a year-round business in a seasonal location allows us to offer year-round employment to our staff, and that helps us to appeal to folks who aren't in it just because they need a job for the summer. They are in it because they share our passion for wine, beer, and cheese. They are service



professionals who desire personal growth and development in these areas - they crave it really - we all do. We even have a staff-only book club. We select a relevant book on wine, beer, cheese, pairing, etc., and buy copies for everyone. We meet every other week one morning before we open to talk about what we learned and discuss how we can use the information to better serve our customers.

BT: Any advice for fellow retailers open to adopting a Trio type concept?

JM: *Sure - be ready.*

I love what we do, and I believe our unique concept has tons of potential. It also has plenty of challenges. First, and most obviously, investment. Opening what effectively amounts to multiple businesses under one roof requires a significant amount of equipment and inventory, and requires a lot of upkeep. It's a commitment.

Another less obvious challenge is staffing and labor management. I had a 20 year career as an Industrial Engineer and a Management Consultant. I worked to assist many companies, retail, manufacturing, and otherwise, in managing their labor force more effectively, yet, I feel like we still haven't really figured out our labor model here. In the summer, when we have a lot of first time customers walking in, we've found we need someone just to greet people and explain what's going on. They get what we refer to as the 'deer in the headlight look' and we want to try to get them comfortable as quickly as we can. It's a daily challenge to try to manage that cost vs service conundrum across our entire operation. But we've learned a lot in five years and we focus on continually improving.

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