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Independent Study & Mentorship

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**Interview Assessment #8**

**Name of Professional:** Mr. Leonid Volovnik

**Profession/ Title:** Regional Director

**Business/ Company Name:** 7-11

**Date of Interview:** November 14, 2017

Just like Mr. Michael Berger, Mr. Leonid Volovnik had reached out to me after I had asked his boss, Mr. Jerome Del Porto for more contacts in international business. As a result, I had the pleasure to interview Mr. Leonid Volovnik, the Regional Director for 7-11, and further my knowledge on international business. My interview with Mr. Leonid Volovnik served as a follow-up interview after I interviewed Mr. Michael Berger because both of them have the same role in the same company.

Starting off the interview, Mr. Volovnik gave some history regarding 7-11 so that I would have some overall context about his job and company. Although I had already conducted two interviews with 7-11 employees, I had never gotten to learn about how the company was founded, so I was quite interested in what Mr. Volovnik had to say. The first 7-11 was opened in Dallas and the main purpose was to sell ice, thus leading to the company focusing primarily on convenience. As the company grew, 7-11 started to sell more convenience items. Later, connections in Asia led to the company expanding to that region in the 1990’s. In fact, 7-11 experienced so much success in Asia that Japan became the majority owner of the company, and therefore it became a holding company. Because of the ample success in Japan, the country spearheaded growth of 7-11 into other Asian markets.

Overall, 7-11 held a monopoly in terms of global convenience store companies. Most convenience chain are, at the most, intranational and many are small mom and pop stores in Asia. However, some of the intranational companies can also give 7-11 some competition. For example, in Asia, Family Mart and Lawson are 7-11’s biggest competitors. In Europe, the biggest competitor is Circle K.

After gaining initial knowledge about 7-11, I asked Mr. Volovnik to talk more about what he does on a daily basis. He explained that he is in charge of supporting international licensing, especially in Thailand and Philippines, where he also offers business consulting. Essentially, Mr. Volovnik had the same role as Mr. Berger, the other regional director from 7-11 that I had interviewed.

Thus, I decided to explore marketing by asking Mr. Volovnik more about the management of the 7-11 brand. He explained that 7-11 tightly controls the usage of the logo, digital media, and any other references to the brand. However, since 7-11 is located in many international areas, the brand changes a little in order to incorporate local culture. Mr. Volovnik explained that area licenses allow for more freedom and the local brands that are sold at 7-11 stores have a right to develop, which is part of their brand portfolio. In addition, many of the brands that are sold are owned by 7-11 and they have a right to use them under the area license. One of the biggest challenges, however, is to protect these brands from infringements.

Further continuing our conversation about brand management, I asked Mr. Volovnik whether there was a certain way that the interior of the store was supposed to look. He said that there is a lot of flexibility for the interior of the store and it varies from country to country based on the consumers. However, the front of the store has to comply with the requirements, and there are very few exceptions. Nonetheless, because 7-11 is 90 year old brand, there are many changes that occur over the years.

Mr. Volovnik also went on to explain how there are different store models based on the market concentration and the local culture. For example, in the United States, there are many drive-up stores with parking lots because of the vast amount of space. Many convenience items are also sold, including coffee, cigarettes, beer, and snacks, so that there is also an appeal to the millenial population. In contrast, Asian countries have a high population density and therefore there is less space. As a result, there are few stores with a parking lot and most 7-11 stores are built as an urban walk-up store. Because Asian countries have a high population density most people walk, and therefore there are more 7-11 stores in the country. For example, in Thailand, there are 15,000 7-11 stores, which is ⅔ of the total number of stores. In the United States, there is a one mile rule, stating that no two stores can be closer than 1 mile. However, in Asian countries, there is no such rule.

After getting a detailed understanding of the branding of 7-11, I proceeded to inquire about how 7-11 stands out from the rest of the competition in terms of gas stations and convenience stores. Mr. Volovnik answered saying that 7-11 has recently shifted its focus towards offering more fresher foods, which has really appealed to the 21st century trend towards a healthy lifestyle. The two key concepts of 7-11 that have remained throughout time are the clean stores and the good service. The combination of these two appeals allows 7-11 to differentiate itself from other local convenience stores. This reminded me of how during my interview with Ms. Regina Borda, she had noted that the family style work experience that Pizza Hut creates in many foreign nations really allows the store to flourish. As a result, it become apparent that offering good customer service and having a unified employee team is very important to the success of a business.

I also asked Mr. Volovnik whether 7-11 had any unique strategies for marketing. Mr. Volovnik answered saying that recently, 7-11 has been focusing on digital marketing using social media and big data to predict the likings of different customers.

Interviewing Mr. Volovnik was quite beneficial and even though he did not work in marketing, he was able to give me detailed insight about the marketing strategies and brand management of 7-11. I was able to compare 7-11 and Pizza Hut and find many similarities in their strategies even though they are involved in different markets. Essentially, my interview with Mr. Volovnik has solidified my belief that marketing is the area of business that I want to go into.