C-stores are now going toe-to-toe with quick-service restaurants and grocery stores in a fierce foodservice battle.

Foodservice dominates

In our latest North American convenience store consumer study, survey respondents named foodservice offerings—including prepared foods and hot, cold, or frozen dispensed beverages—as their primary c-store purchases.

Breakfast, lunch, and dinner times saw the highest sales, suggesting that stores can grow foodservice sales by focusing their product and marketing strategies on those day-parts.

Better-for-you offerings are in demand

Consumers praised c-stores on their prices, value, and service speed. However, they still think c-stores could improve the quality and diversity of their foodservice offerings. More than 80% of survey respondents said they would appreciate seeing more better-for-you menu items. Top characteristics that interested consumers included "freshly made in stores," "nutritional information provided," and "locally sourced/fresh ingredients."
MOBILITY AND SELF-CHECKOUT GET HIGH SCORES

Technology—especially mobile loyalty programs—powerfully influences shopping behavior, particularly among younger consumers. In fact, more than 60% of Millennial and Generation X consumers in our survey gave the importance of loyalty programs a rating of 3 or higher on a scale of 1 to 5.

Other technologies that focus on improving the customer experience, such as self-checkout and kiosks, also scored highly.

70%

Roughly 70% of consumers in our survey are interested in receiving delivery from c-stores.

DRIVE-THRU AND DELIVERY COULD DRIVE GROWTH AND INNOVATION

Out of all the consumers who expressed interest in delivery from a c-store, 53% said they prefer to order delivery in advance; 65% said they want to order directly from a c-store, versus just 9% who said they want to order c-store delivery from a third-party service.

Despite strong interest in delivery, consumers suggest that drive-thru windows rank even higher in importance of c-store offerings.

BUT WATCH OUT: AMAZON IS MOVING INTO C-STORE FOOD DELIVERY

Amazon just opened its first cashier-less convenience store: Amazon Go. The digital giant is also reportedly testing food offerings that consumers can order online and have delivered to their cars outside Amazon c-stores.¹

About 43% of survey respondents said that if an Amazon c-store opened nearby, they would shop at other c-stores at least somewhat less frequently (figure 3).


Source: AlixPartners’ 2017 North American Convenience Store Consumer Study

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