MARKET INSIGHTS FOR THE FUEL & CONVENIENCE STORE INDUSTRY
Do you know how your fuel and convenience store locations are performing?

While yesterday’s consumers made decisions based upon **price** and **location**, they now increasingly factor in the **experience**. Cheap gas, short drives, and convenient store placement are still important, but customers now make decisions based upon the forecourt experience and in-store offerings.

A recent press release from the National Association of Convenience Stores (NACS) revealed that Americans are increasingly choosing fueling locations based upon the quality of food. One-in-seven drivers (16%) say that in-store offerings drive their decisions—a 5-point increase since 2015. And while NACS found that 51% of American drivers still say they prefer a specific chain or store based upon gas price, that represents a 6-point drop over the past two years.

Millennials are also helping to drive this cultural shift. Now the United States’ largest demographic, they are more likely to stop and buy items at convenience stores than any other age group. According to NPD Group, convenience stores accounted for nearly 11 percent of millennial food and beverage stops in 2014—up from nearly 8 percent in 2006.

The result is that while slightly more than half of GasBuddy users visit stores within 6 miles of their home (57%) or place of employment (54%), some customers are willing to go even further out of their way to get the right experience and products. Buc-ee’s, the Texas-based chain that recently captured the top spot in all six categories on GasBuddy’s Q3 2017 Perfect Pit Stop Report Card—regularly incorporates this into their marketing. Their billboards on Texas interstates frequently advertise restroom quality, telling drivers that they can “hold it” until the next Buc-ee’s—which may be an additional ten or twenty miles. On social media, Sheetz customers even share details about their latest #SheetzRun—which tends to focus on food and coffee.
The current retail environment demands more than cheap gas and a good location, says Frank Beard, GasBuddy’s Analyst/Evangelist for Convenience Store and Retail Trends. “Today's consumers have high expectations. They're looking for the right experience, and this is reflected by what they say and share about stores online.

That’s why it’s critical to obtain a holistic picture of your business. Not only how customers rate and review your in-store offerings, or your level of online engagement and foot traffic, but how your stores and your brand compare to the competition.

Some retailers believe based on the competitive data they have today that they are incredibly competitive in all aspects of their business, shared Phil Corson, Product Manager of GasBuddy Business Pages, “but when we partner with them and share relevant market insight information, they are sometimes surprised to find that they are only on par with the industry in certain aspects of their business”.
A New Kind of Analysis

It’s vital to stay one step ahead in today’s hyper-competitive retail environment.

While convenience stores have access to powerful business intelligence solutions—such as those that unlock insights from point of sale (POS) systems—it’s important to have the ability to step back and view both your stores and brand through a broad, comprehensive lens.

Do you know where else your customers shop for fuel and convenience store items? Do you know how often they visit your locations and how engaged they are with your brand? A broad competitive analysis can supplement existing business intelligence solutions and allow brands to make better-informed, strategic decisions.

If you are interested in taking a deeper look at your business, gathering additional insights, and benchmarking yourself against the competition, GasBuddy Business Pages has the ability to unlock these insights with our Market Share Intelligence solution.

Contact pages@gasbuddy.com for more information.

Sources
1. http://www.nacsonline.com/Media/Press_Releases/2017/Pages/PR032917.aspx#.WeUbi2hSz-g