

A SIDE OF GAS WITH THAT SANDWICH?

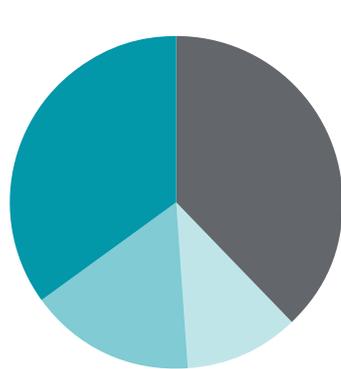
Insights into Foodservice and Consumer Habits

Today's leading convenience retailers have become destinations for more than just fuel and a few snacks. They've expanded their foodservice offerings to compete directly with quick-service restaurants, fast casual chains, and in some cases, even grocery stores. A recent survey from AlixPartners revealed¹ that foodservice is the number-one driver (27%) of purchases at convenience stores, and the National Association of Convenience Stores (NACS) reports² that it contributed 21.7% of in-store sales and 35.2% of gross profit dollars in 2016.

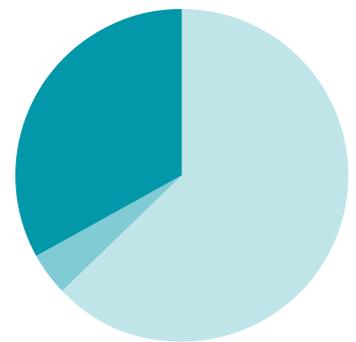
But for many consumers, the phrase "gas station food" still carries a negative connotation despite vast improvements in both product quality and customer experience.

We surveyed more than 2,200 highly-engaged GasBuddy users to gain additional insight into this issue.

GENERALLY, HOW DOES THE COFFEE AT GAS STATIONS AND CONVENIENCE STORES COMPARE TO THE COFFEE AT QUICK-SERVICE RESTAURANTS?



GENERALLY, HOW DOES THE PREPARED FOOD AT GAS STATIONS AND CONVENIENCE STORES COMPARE TO QUICK-SERVICE RESTAURANTS?

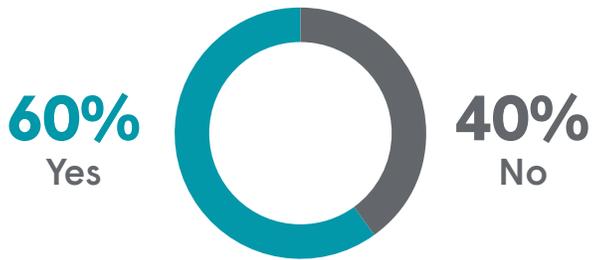


Results may not add up to 100% due to rounding

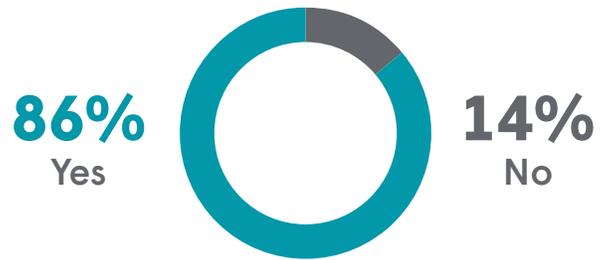
Consumer perceptions of coffee quality give convenience retailers a slight advantage over quick-service restaurants, but the latter has a decisive advantage in terms of prepared food. This is especially problematic for coffee programs since consumers may look elsewhere for a quality pastry or breakfast sandwich. To overcome these poor perceptions, investments in foodservice must be paired with effective marketing efforts and an appropriate customer experience. Issues such as poor restroom quality or messy stores can limit the potential of any prepared food program.

DO YOU PURCHASE FOOD FROM:

GAS STATIONS AND CONVENIENCE STORES?



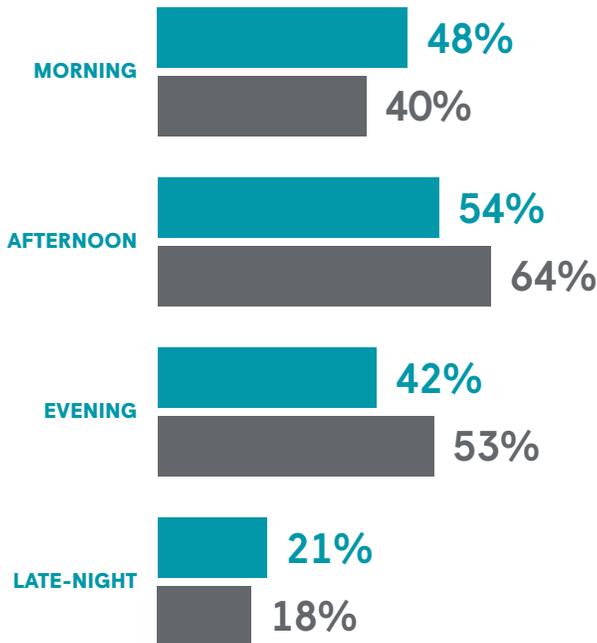
QUICK-SERVICE RESTAURANTS?



Although respondents are more likely to purchase food at quick-service restaurants, this presents an opportunity for convenience retailers to gain marketshare. And with 77% of Americans getting online daily, according to the Pew Research Center⁴, it's essential for convenience retailers to leverage digital tools such as reputation management and location-based marketing to build awareness of their high quality products and drive consumers into the stores.

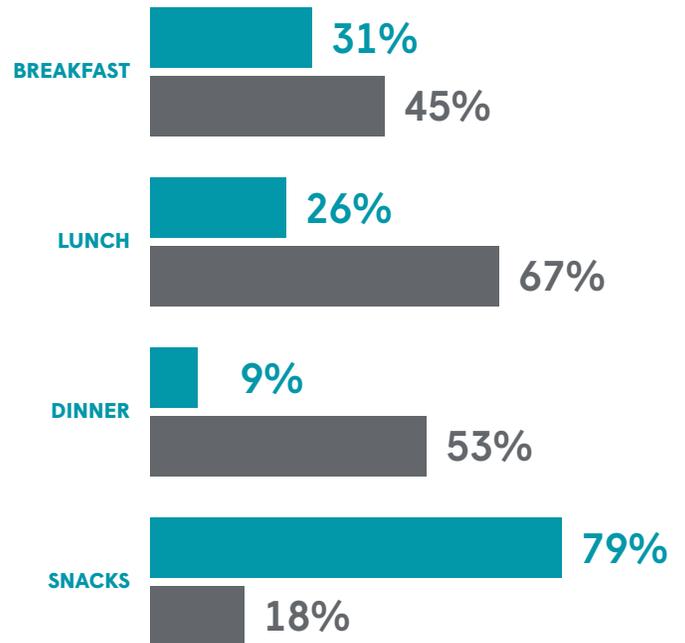
WHEN DO YOU TYPICALLY PURCHASE FOOD FROM:

- GAS STATIONS AND CONVENIENCE STORES
- QUICK-SERVICE RESTAURANTS



WHICH CATEGORIES OF FOOD DO YOU TYPICALLY PURCHASE AT:

- GAS STATIONS AND CONVENIENCE STORES
- QUICK-SERVICE RESTAURANTS

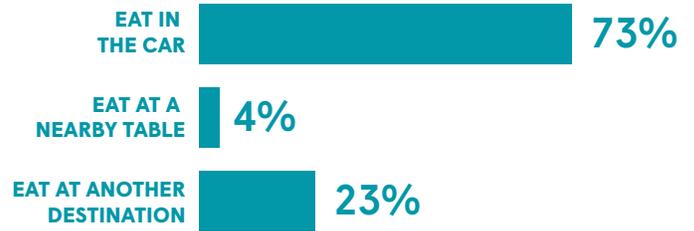


Respondents were able to select more than one response.

Results indicate that convenience retailers are the destinations of choice for snacking—and appear to have a slight edge during the morning hours. But while more respondents say they visit convenience retailers in the morning, a larger percentage view quick-service restaurants as breakfast destinations.

Many of today's consumers are dashboard diners—preferring to eat on-the-go in their vehicles. Convenience retailers should consider car-friendly packaging as they look for a competitive edge. Some brands have already begun to differentiate themselves with containers that fit in cup holders, and others offer trays that attach to the tops of beverages.

WHAT DO YOU DO AFTER PURCHASING FOOD AT A GAS STATION OR CONVENIENCE STORE?



More than 1-in-4 respondents say “healthier options” would influence them to eat more frequently at convenience retailers. This may also be an effective strategy to raise the profile of a foodservice program. According to Technomic, 37% of consumers are more likely to visit restaurants that offer healthy items—even if they don’t order them⁵. Additionally, nearly 1-in-4 respondents would like better discounts or deals through existing loyalty programs. This reinforces the importance of segmenting loyalty offers based upon purchase history rather than “one-size fits all” solutions.

WHAT WOULD INFLUENCE YOU TO EAT MORE FREQUENTLY AT GAS STATIONS AND CONVENIENCE STORES?

ANSWER CHOICES		RESPONSES	
Lower prices		37.85%	
Healthier options		28.80%	
Better discounts or deals through existing loyalty programs		24.53%	
Larger variety of grab-and-go food		19.56%	
Cleaner stores		18.29%	
Larger variety of prepared food		14.02%	
Car-friendly packaging		12.71%	
Premium ingredients		11.21%	
Artisan coffee options	10.65%	Free WiFi	7.36%
Indoor and/or outdoor seating	10.13%	Larger variety of beverages	6.80%
Unique breakfast items	9.57%	Touchscreen-based ordering systems	5.58%
Better customer service	9.52%	Mobile ordering and pickup	4.27%
Faster service	8.72%	Delivery to your home or place of employment	1.31%

Respondents were able to select more than one response.

HOW GASBUDDY CAN HELP YOUR BRAND MAKE A STATEMENT WITH FOODSERVICE CUSTOMERS

UNDERSTAND YOUR CONSUMERS AND THEIR BUYING BEHAVIOURS

- Gain insights into what drives a consumer's purchase and their path to make a purchase
- Use targeted messaging to address consumer needs throughout their journey

DELIVER TARGETED MESSAGING IN HIGHLY CONTEXTUAL MOMENTS

- Connect with consumers when they are in proximity to your locations and stopped at the pumps
- Deliver targeted offers and deals that drive consumers into the store and influence purchases
- Implement cross-platform initiatives to engage with consumers at every stage of their purchase journey

ATTRIBUTE INCREMENTAL FOOT TRAFFIC BACK TO ONLINE INITIATIVES

- Analyze footfall uplift and visitation trends to your locations as a result of your online campaigns
- Unlock in-depth customer insights based on their behaviors and visitation patterns

Sources:

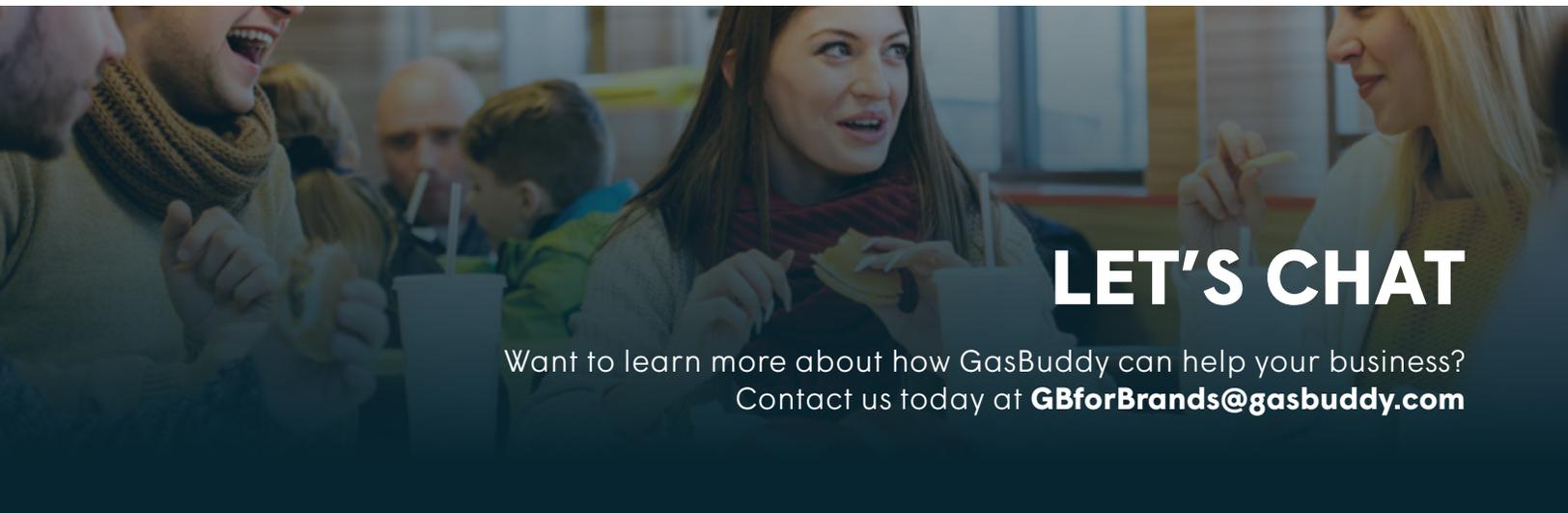
¹<https://www.chainstoreage.com/news/survey-reveals-no-1-reason-people-shop-convenience-stores/>

²http://www.convenience.org/Media/Press_Releases/2017/Pages/PR040517.aspx#.WrARPqjwaUk

³<https://www.pymnts.com/intelligence-of-things/2018/digital-drive-report-connected-cars-commerce-order-ahead-visa>

⁴<http://www.pewresearch.org/fact-tank/2018/03/14/about-a-quarter-of-americans-report-going-online-almost-constantly/>

⁵<https://www.technomic.com/improvements-taste-driving-more-order-healthy-food>



LET'S CHAT

Want to learn more about how GasBuddy can help your business?
Contact us today at GBforBrands@gasbuddy.com