

Surviving the C-Store Industry

Judging from the standing-room-only crowd of the workshop, “The Changing Economy: A Supplier’s Guide to Survival in the C-Store Industry,” a key challenge for suppliers is to stay ahead of the trends that convenience retailers are following to satisfy their own changing customer bases.

The supplier-focused workshop spotlighted four speakers — three retailers and a Nielsen researcher — who presented top trends collected from research and retailer and distributor sectors of the industry. Supplier workshop attendees heard from the mouths of these retailers how to succeed in the convenience channel.

THE FACTS

Nielsen Company research presented

showed that in the current economy, more shoppers are interested in value, value and more value, but those same shoppers still have loyalty to many top brands.

“In branded sales, the mid-level brands have been hit the hardest,” said Kristen Moore, director of product leadership for Nielsen, adding that sales of private-label brands are growing, but “customers are loyal to top brands.”

The same research also showed more consumer interest in convenience products to prepare at home, and those same customers are increasingly carrying their lunches to work.

Retailers are also finding success with grab-and-go foods, and some are adding ovens to offer fresh-prepared foods, Moore said, noting that foodservice is “exploding in the c-store channel. Convenient solutions are skyrocketing.”

THE ADVICE

Tony Kenney, president of SuperAmerica, presented the view of the mid-size retailer. He made it clear that his stores recognize that their customers want value, convenience and good service. “Value means more than a low price, though,” he said, adding that having product in

stock and being innovative are also part of the mix. He also urged suppliers to approach retailers about supply chain efficiency through technology.

Kenney also discussed what he felt set his stores apart. “The difference is our customer loyalty program. It is the glue that holds everything together,” he said, adding that customers like to earn points to redeem for gasoline or coffee.

Presenting the large retailer viewpoint was James Hachtel, senior category manager for BP/ampm, who emphasized the importance of knowing your market. “Our core customers tend to be highly impulsive and highly indulgent,” he said.

Also important to Hachtel is innovation to help site managers, and a marketing plan with the right product mix. What he looks for from suppliers are “sound category management strategies” that provide value to both ampm and the customer.

Stuart Clark, senior vice president for sales and marketing for McLane, discussed distribution, noting that his key needs and what McLane tries to deliver are productivity, efficiency, accuracy and quality — and that his company is interested in working with suppliers to optimize supply chain solutions. **NACS**

For more insights from the workshop and other educational sessions, visit siattend.com and purchase a digital audio recording that’s fully synchronized with speaker presentations, animation, video and the speaker’s pointer movements.



Track leader Brad Heetland, region vice president at Kraft Foods Global, during one of three supplier workshops offered at the NACS Show.