

Innovative Ideas
That Work:
C-Stores Get Creative

C-stores today face competition from all sides: grocery stores, drugstores, dollar stores, quick-service restaurants, online retailers, each other. It's not easy to stand out in such a crowded marketplace, especially when consumer shopping preferences are continually shifting, but it's necessary. In other words, for c-stores to survive and thrive, they must innovate.

THIS DOESN'T MEAN THAT THE C-STORE industry as a whole is in trouble. On the contrary, the industry continues to grow. As of December 2016, there are a record 154,535 c-stores across the country, accounting for more than one-third (34.1%) of all retail outlets in the United States. In fact, the c-store count alone is 25% higher than the combined total number of superettes, supermarkets, and supercenters (51,191), drugstores (43,636), and dollar stores (28,832). Sales remain strong, and c-stores have many loyal customers.

Nonetheless, the competitive landscape is getting more and more intense. A recent report from Nielsen found that c-stores need to not only keep pace with their competitors, but also pull ahead of the pack through the use of innovative ideas and techniques.

"As the relevance of the channel concept fades, convenience stores will need to continue to innovate to remain competitive," the Nielsen report stated.



What Is Innovation?

So how exactly does one innovate? Innovations don't have to be expensive, complicated processes. Here are a few simple ways c-stores can innovate:

Restructure the layout of the store

With foodservice becoming a vital component of any c-store's success strategy, it's important to convey the right image to customers. Make your store look more like a restaurant than a typical c-store. Move the deli counter to the front of the store. Add comfortable seating and tables both inside and outside the store, if possible. Create an environment where your customers want to sit and stay for awhile.

Offer unique food choices

Customers, especially the much-coveted millennial demographic, enjoy experiences. Add memorable items to your foodservice offerings. One c-store offers a pulled pork sundae with a cherry tomato on top; another offers rabbit and gravy. Don't be scared to take risks; these are the items your customers will be discussing with their friends on social media.

Anticipate technology needs

Make sure there are plenty of outlets for customers who choose to sit and relax in your store. Offer charging stations and USB ports so customers can charge their electronic devices.

Take advantage of technology

It goes without saying that c-stores with the resources and capabilities should take a look at technological innovations. Install digital signage throughout your store. Offer a customized app where customers can download coupons and view special offers. Create a self-serve kiosk. Take advantage of what technology can offer to create the best experience for your customers.

Get creative

You know your customers best. What do they want to see in your store? What can you offer that you competitors can't? If you aren't sure, ask.

"Competition can crop up at any time—and in many ways, on any device," the Nielsen report stated. "Staying in touch with consumer preferences and needs is, and will always be, the way to stay ahead of the pack—even for those currently at the front of it."

Inspiring Ideas: A Few Case Studies

"Innovation" can be a scary word for many business owners, especially those with limited budgets and resources. But it doesn't have to be. Recent innovations in the c-store industry demonstrate that even the local mom-and-pop c-store down the street can attract customers and increase profits with a little creativity and ingenuity. Take a look at these case studies and let the inspiration flow.

1 / Top n Go Mini Mart

uniforms to kombucha on tap

LOCATION: Bend, Oregon
INNOVATION: Various, from old-fashioned

After purchasing his c-store 20 years ago, Kent Couch was determined to find ways to stand out from the competition. Drivers are not permitted to pump their own gas in Oregon, and Couch took advantage of the situation by having his attendants dress up in old-fashioned uniforms. More recently, he launched a growler fill station, where customers can fill growlers, or take-home containers, with craft beer, wine, or cider. The idea took off, and Couch launched the Growler Guys franchise, which

2 / Pilot Flying J

now has 13 locations.

LOCATION: 650 locations across the country INNOVATION: Mobile app

Last summer, Pilot Flying J introduced its MyPilot mobile app, designed for professional drivers. The app features current wait times at fuel lanes based on real-time data, mobile payment options via stored card information, in-app receipts, and instant access to loyalty points. It also allows drivers to plan a route that maps Pilot Flying J locations along the way. Future enhancements include the ability to make parking and shower reservations through the app.

3 / Mendez Fuel

LOCATION: Four locations in Miami, Florida INNOVATION: Social media marketing

While the use of social media may not seem like an innovation in and of itself for most businesses, it's an emerging area for many c-stores, especially independent stores and smaller chains like Mendez Fuels. Owner Michael Mendez regularly posts store news and updates on Twitter, Facebook, and Instagram. After posting a photo of a new beer in the morning, for example, customers usually start appearing in the store and asking about it a few hours later. As of late June, Mendez Fuel has 1,447 Facebook fans, 6,710 followers on Twitter, and 5,734 followers on Instagram.

4/Zarco

LOCATION: Five locations in Lawrence, Kansas INNOVATION: At-the-pump ordering

In today's on-the-go world, it can be hard to get a customer's undivided attention for two seconds, much less two minutes. But c-stores have an edge: For about five minutes, customers stand at the fuel pump while getting gas, mindlessly watching the numbers on the pump tick up or staring off into the distance. Owner Scott Zaremba sought to take advantage of those precious few minutes. He developed proprietary technology that allows customers to order and pay for food while waiting using a tablet attached to the pump. When they're done filling up, the customers pick up their food inside the store, resulting in increased foot traffic and ultimately sales.

5 / High Country Market & GastroPub

LOCATION: Round Rock, Texas
INNOVATION: Fine wine and gourmet foods

At High Country Market & GastroPub, customers can fill up with fine wine, gourmet foods, and fuel with one stop. Owned by level 2 sommelier Zahir Walji, High Country Market sells 30 of the top 100 rated wines in the country. The store also offers farm-to-table food items, including its homemade black truffle and rosemary ketchup. The inviting outdoor seating allows customers to sit outside and enjoy a craft beer while their children play in the garden.