

March 2023

Tracking Convenience Report: From the Pump to the C-Store

Analyzing the latest fuel and convenience retail trends with data from PDI and GasBuddy



Overview

This report highlights key findings in the fuel and convenience retail market based on data and analysis from PDI and GasBuddy. In most cases, the data is a snapshot of 2022 results, although some trends cover the range between 2017 and 2022. All the data reflects evolving consumer behaviors at the pump and in the store—including how each part of the convenience experience impacts other parts.

You'll find key takeaways for retailers and CPG brands based on deep data analysis, along with actionable insights you can use to improve your own business results.

The report analyzes:

- › Overall footfall rates
- › Consumer ratings impact on footfall
- › Dwell time trends
- › Busiest dayparts for 2022
- › Fuel price impact on footfall
- › In-store category sales trends for 2022
- › In-store category margin trends for 2022

If you would like PDI to help you with a detailed data and analysis of your own customer trends and growth opportunities, [contact us](#) today.

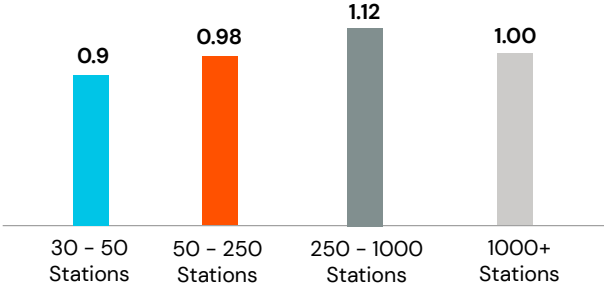


Overall Footfall Rates

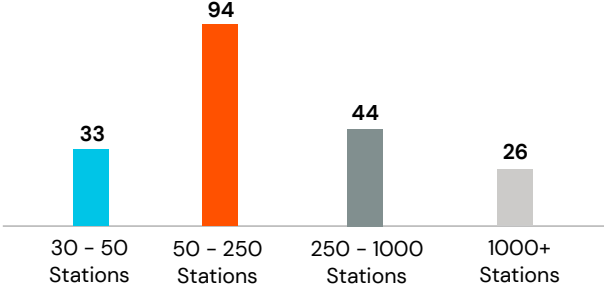
Business success depends on how many customers visit your site. When tracking overall footfall*, it's important to understand how business size can impact success. Although there are strong performers within all segments, brands with 250 to 1000 locations tend to see more traffic on a per-site basis. As expected, this segment features many of the industry's most successful c-store chains.

Note that brands with 1000+ stations must find innovative ways to compete with more nimble chains. Their primary constraints are fewer opportunities to differentiate their forecourt experience and the fact that they are often tasked with selling branded fuel at prices above average market rates.

Median Footfall Ratio by Brand Size



Brands per Category




* Footfall ratio equals average footfall per location/average footfall for the industry. A brand on par with the industry average would have a footfall ratio of 1.0.



Insight

Brands with 250 to 1000 stations are in the “Goldilocks” zone—small enough to serve unique geographical needs but large enough to enjoy strong brand equity. They have enough capital to elevate their customer experience with competitive fuel pricing, targeted foodservice, and personalized loyalty programs.





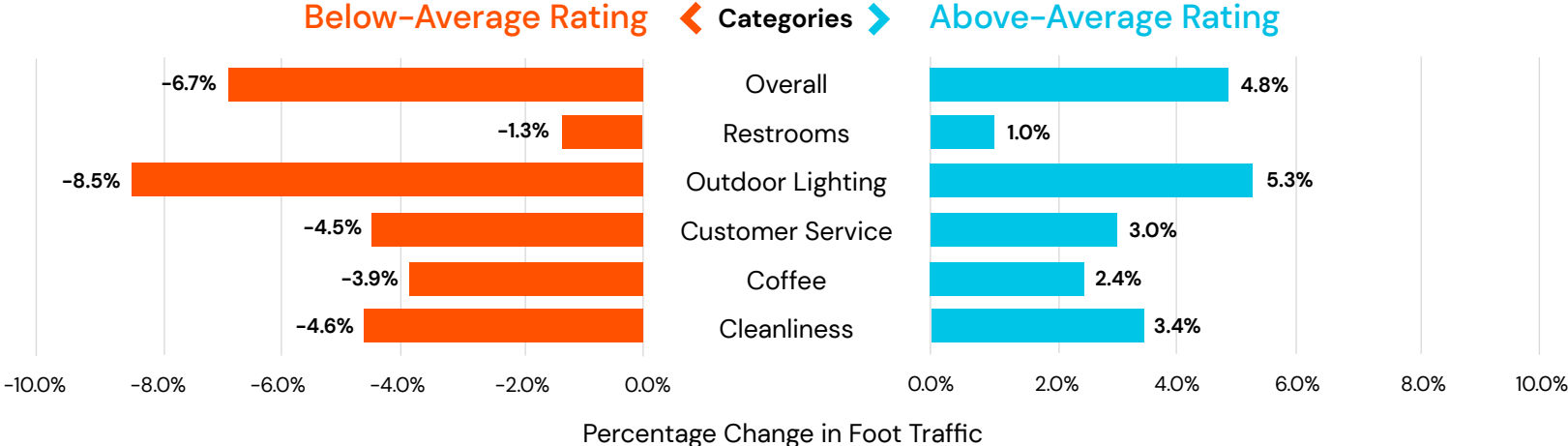
Opportunity

Optimize your **business operations** and build your brand to deliver a consistently good site experience so shoppers visit your store more often and stay longer. Consider using **GasBuddy Listings Management** to advertise your brand and highlight unique site information so shoppers can find you easier.

Consumer Ratings Impact on Footfall

Physical site experience heavily influences how visitors perceive both your forecourt and in-store environment. When analyzing six categories rated by consumers on the GasBuddy app, it's clear how above- or below-average ratings affected footfall.

Consider the difference in a positive versus lower rating: An above-average rating in outdoor lighting led to a 5.3% increase in foot traffic, while a below-average rating in the same category caused a proportionately higher (8.5%) decrease in foot traffic.



Insight

Overall, negative ratings have more impact on footfall than positive ratings. Fortunately, these are often areas (such as cleanliness, restrooms, and coffee) that you can easily control.

Opportunity

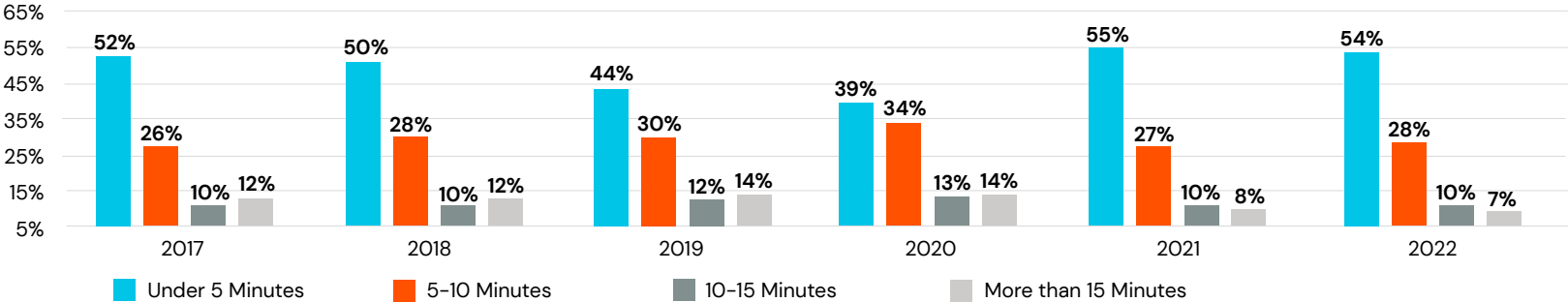
Improve the overall appearance of your site and ensure that your staff are incentivized to keep it clean. Utilize [GasBuddy Reputation Management](#) to help you monitor customer reviews on the GasBuddy app so you can maintain your reputation by quickly addressing any issues.

Dwell Time Trends

As you would expect, the COVID-19 pandemic had an enormous impact on store visits, but there were still some interesting trends related to how long visitors stayed onsite during the 5-year period from 2017 to 2022. In general, most visitors spent less than 5 minutes onsite. Approximately one-fourth of visitors spent 5 to 10 minutes per visit.

As COVID disrupted businesses, fewer people made trips to c-stores. When they did, they typically stayed for less than 5 minutes or between 5 and 10 minutes. As pandemic issues subsided, there was a general return to normal dwell times except that fewer people were spending more than 15 minutes at c-stores compared to pre-pandemic years.

Dwell Time (2017-2022)






Insight

The role of c-stores has shifted to become less of a destination point, and it's more difficult to get shoppers to linger. This trend arrives at the same time many c-stores are competing directly with larger retailers and quick-service restaurants (QSRs).





Opportunity

To increase dwell time, consider stronger offers and promotions to attract visitors. Try to provide differentiated offerings, such as **guest Wi-Fi** and new **foodservice** options, that give shoppers reasons to stay longer.

Busiest Dayparts for 2022

Analyzing footfall for both trips to the pump and inside the store revealed relatively little change in day and daypart trends from 2017 to 2022. Some highlights included:

- > 12 pm to 6 pm remains the most popular daypart.
- > Thursday and Friday are still the most popular days.
- > Most in-store trips occur between 10 am and 6 pm.
- > Fuel trips align closely with high footfall dayparts (occurring later in the day).

	12AM	1AM	2AM	3AM	4AM	5AM	6AM	7AM	8AM	9AM	10AM	11AM	12PM	1PM	2PM	3PM	4PM	5 PM	6PM	7PM	8PM	9PM	10PM	11PM
SUN	0.23	0.16	0.11	0.07	0.05	0.07	0.11	0.19	0.31	0.48	0.66	0.81	0.98	1.00	0.99	0.97	0.95	0.92	0.84	0.74	0.62	0.48	0.34	0.22
MON	0.14	0.09	0.06	0.06	0.07	0.15	0.30	0.52	0.60	0.63	0.71	0.85	0.97	0.95	1.00	1.09	1.14	1.15	0.94	0.75	0.61	0.46	0.32	0.21
TUE	0.13	0.08	0.06	0.06	0.07	0.15	0.31	0.55	0.62	0.63	0.70	0.83	0.95	0.92	0.97	1.08	1.15	1.19	0.97	0.78	0.64	0.49	0.34	0.22
WED	0.14	0.09	0.07	0.06	0.08	0.16	0.32	0.57	0.64	0.65	0.72	0.86	0.98	0.96	1.01	1.11	1.18	1.22	1.01	0.81	0.67	0.51	0.35	0.23
THU	0.14	0.09	0.07	0.06	0.08	0.16	0.32	0.56	0.63	0.66	0.74	0.87	1.00	0.97	1.02	1.13	1.20	1.24	1.03	0.84	0.69	0.53	0.38	0.25
FRI	0.16	0.10	0.08	0.07	0.08	0.15	0.31	0.55	0.64	0.69	0.80	0.96	1.10	1.10	1.17	1.27	1.32	1.33	1.17	0.96	0.81	0.66	0.50	0.35
SAT	0.23	0.15	0.11	0.07	0.06	0.09	0.16	0.29	0.45	0.65	0.85	1.01	1.10	1.12	1.11	1.10	1.07	1.04	0.97	0.86	0.74	0.62	0.49	0.36

Insight

Certain product categories tend to skew toward specific dayparts. For example, food and cigarettes are more common purchases during the morning, while candy and alcohol shoppers show up later in the day, approaching the evening daypart.



Opportunity

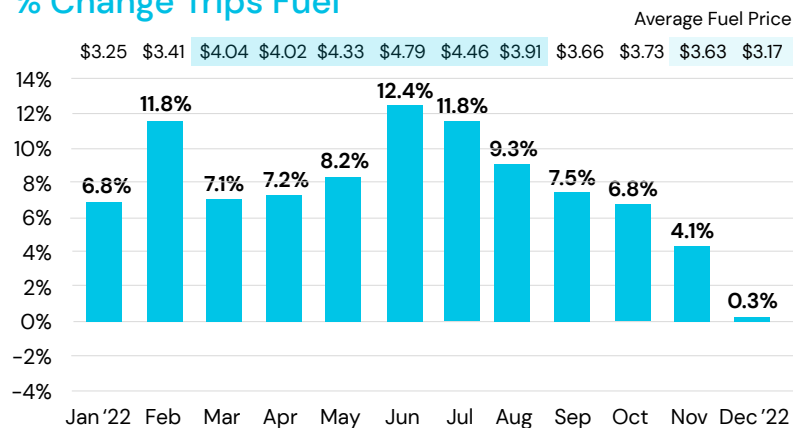
Align category-specific **offers and promotions** with the times your customers are in the store. Ensure your **staff schedules** align with the busiest dayparts to handle the additional traffic.

Fuel Price Impact on Footfall

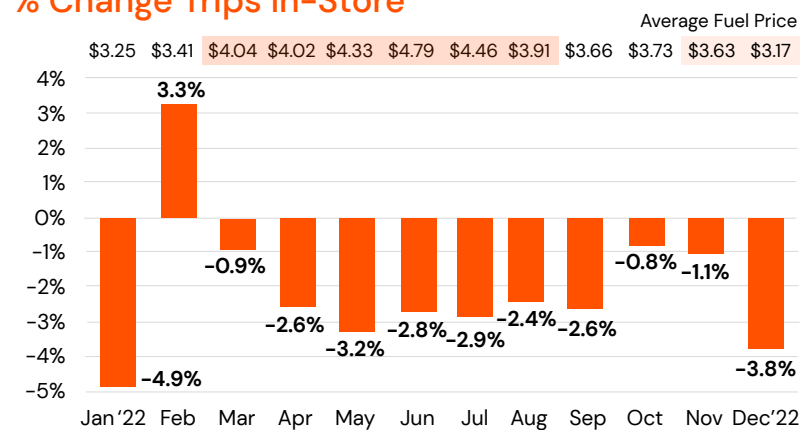
Analyzing how fuel prices influence in-store trips revealed an interesting market dynamic. As the monthly national average gas price rose, so did the percentage of fuel trips—while the percentage of in-store trips dipped. For example, when prices peaked in June 2022 at nearly \$5 per gallon, there was a 12.4% increase in pump trips and a 2.8% decrease in trips to the store.

With a return to more typical fuel prices, consumers might have more disposable income to spend in the store, but there might be less opportunity for pump-to-store conversion if consumers are making fewer trips to the pump.

% Change Trips Fuel



% Change Trips In-Store



Insight

For many consumers, fuel is not a discretionary purchase. As fuel prices rise, they spend less in the store or stop visiting it altogether. When you face margin pressure at the pump, consider investing in new offerings with higher margins (such as foodservice).



Opportunity

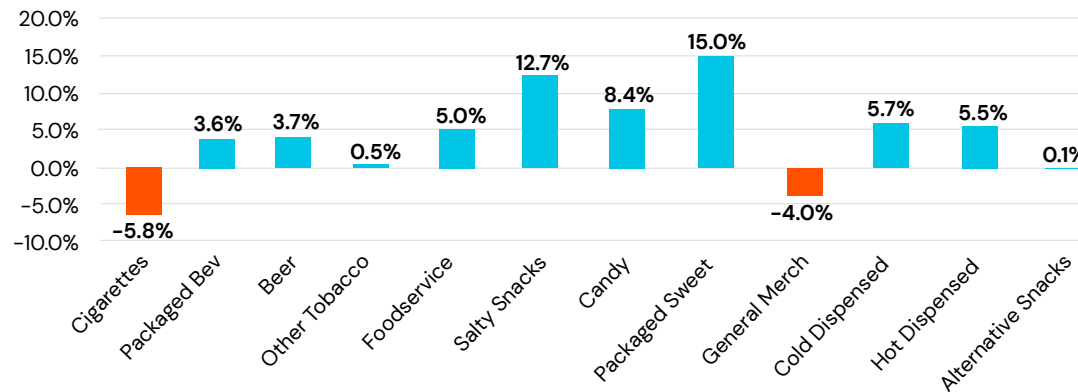
Optimize **fuel pricing** operations to help maximize profit margins and use loyalty programs to reward frequent shoppers. PDI **Insights and Analytics** can reveal where to invest, while **GasBuddy Insights** provides competitive market benchmarks so you can compare your site performance against local competitors.

In-Store Category Sales Trends for 2022

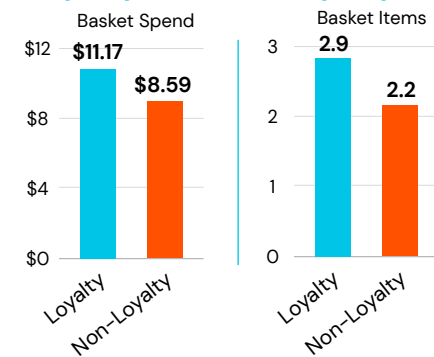
Comparing major store category sales from 2021 to 2022 revealed growth for almost all categories, except for cigarettes and general merchandise. Salty snacks and packaged sweet snacks experienced significant growth (12.7% and 15.0%, respectively).

However, it's important to note the growth in dollar sales was entirely driven by increases in average item price. In fact, spending per basket was up 3.0% while average units per basket were down 3.9%. Although consumers are spending more, they're getting less for what they spend.

% Change Total Dollar Sales 2022 vs 2021



Loyalty vs. Non-Loyalty



Insight

Watch for growing consumer sensitivity to high prices, especially as macroeconomic factors in 2023 and 2024 threaten to increase the share of economically vulnerable consumers. Consider focusing on brand-loyal customers to attract more CPG brand dollars for personalized offers and promotions.

Opportunity

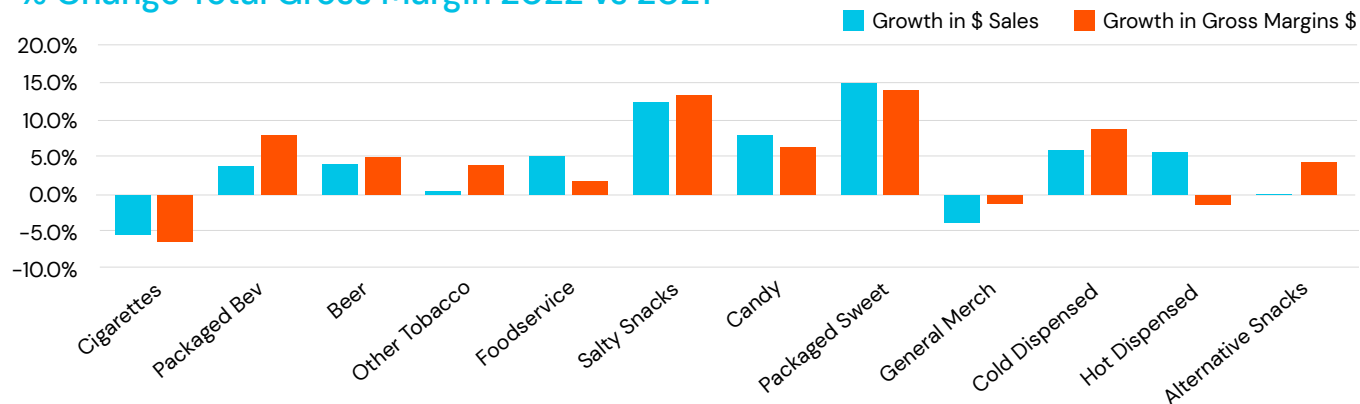
With PDI data revealing that **loyalty program** members bring 30% greater value than non-loyalty consumers in terms of average basket price, both retailers and CPG brands can benefit by engaging more effectively with brand-loyal shoppers. If you want to incorporate **sustainability** into your business, try offering a loyalty program that features carbon offsets when members make fuel purchases.

In-Store Category Margin Trends for 2022

When examining gross-margin changes across in-store categories in 2022, margin profits narrowed in certain categories but widened in others. These trends were the result of shifting consumer purchases by category, along with changes in gross margin percentage by category.

For instance, category shifts were driven largely by price increases where some consumers chose to purchase lower-cost items in certain categories (such as cigarettes). The changes in gross margin percentage were driven by increased merchandise and food costs for retailers, some of which resulted in incremental margin for the retailers. One typically high-profit category, Foodservice, grew more slowly than sales, primarily due to rising labor costs.

% Change Total Gross Margin 2022 vs 2021



Insight

Retailers should carefully monitor shifts in consumer purchasing behavior all the way down to the basket level, because any category could significantly impact in-store margins and overall store profitability.



Opportunity

It's important to capture and scrutinize basket-level data in real time to make faster decisions on pricing, promotions, and offers. [PDI Insights and Analytics](#) provides the detailed data to help you adapt quickly to changing behaviors. [PDI Offer Network](#) helps you optimize your retail promotions to increase profitability.

Discover Your Own Opportunities

We hope you find this data and analysis valuable in understanding changing consumer behaviors and how the latest trends can impact your business.

If you would like more access to this type of data and how you can leverage it, PDI can help. Whether you're a retailer or a CPG brand, our data experts can work with you to define your goals and achieve them faster than you ever thought possible.

Solutions such as [GasBuddy Business Pages](#) can help you connect with millions of consumers, monitor foot traffic, promote your store amenities, and stay competitive—all from one easy-to-use dashboard.

Let's Talk

Learn more at pditechnologies.com.

Or [contact us](#) today.

For media inquiries or to discuss fuel and convenience industry trends, contact pr@pditechnologies.com.



Report Methodology

This report combines GasBuddy® consumer survey data from 15,000+ convenience retail consumers across all key U.S. geographic locations. The survey data is evenly represented across gender, location, age, and household income. Some areas of this report combine consumer buying data from PDI for 20,000 convenience retail sites across all key U.S. geographic locations.

About GasBuddy

GasBuddy is the leading fuel savings platform providing North American drivers with the most ways to save money on gas. GasBuddy has delivered more than \$3.5 billion in cumulative savings to its users through providing real-time gas price information at 150,000+ stations, offering cash-back rewards on purchases with brand partners, and through the Pay with GasBuddy™ payments card that offers cents-off per gallon at virtually all gas stations across the U.S. As one of the most highly rated apps in the history of the App Store, GasBuddy has been downloaded over 100 million times. Acquired by PDI Technologies in 2021, GasBuddy's publishing and software businesses enable the world's leading fuel, convenience, QSR, and CPG companies to shorten the distance between the fueling public and their brands.

gasbuddy.com

About PDI Technologies

With 40 years of industry leadership, PDI Technologies, Inc. resides at the intersection of productivity and sales growth, delivering powerful solutions that serve as the backbone of the convenience retail and petroleum wholesale ecosystem. By "Connecting Convenience" across the globe, we empower businesses to increase productivity, make informed decisions, and engage faster with their customers. From large-scale ERP and logistics operations to loyalty programs and cybersecurity, we're simplifying the industry supply chain for whatever comes next. Today, we serve over 200,000 locations worldwide with solutions like the Fuel Rewards® program and GasBuddy, two popular brands representing more than 20 million active users.

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