



UNDERSTANDING YOUR CONVENIENCE SHOPPERS

NACS

Research &
Technology

OVERVIEW

Identifying convenience shopper types can help retailers strategize how to better serve different types of customers with varying needs and missions. Likewise, understanding shopper behaviors can improve how supplier companies position their products to different consumer groups.

The NACS Convenience Voices shopper insights program puts a spotlight on how consumers shop the convenience channel and highlights the latest industry trends. Considering the convenience channel conducts 160 million transactions a day, a valuable element of the program is the ability to segment shoppers into groups.

For example, non-demographic factors that characterize how people shop convenience stores, including trip type, shopping mission, reason for selecting the store, and whether the shopper conducted a digital product search can be used to identify different shopper types. Based on these factors and other characteristics, the data revealed three types of convenience store shoppers:

- 1. Experience-Driven Loyalists**
- 2. Time Optimizers**
- 3. Value Seekers**

KEY FINDINGS

- ➔ The three types of convenience shoppers—**Experience-Driven Loyalists, Time Optimizers, and Value Seekers**—**exhibit few demographic distinctions** but have different reasons for selecting a certain convenience store.
- ➔ **Loyalty scores vary significantly by shopper type.** Time Optimizers and Value Seekers have a much lower Net Promoter Score (NPS) than Experience-Driven Loyalists.
- ➔ **Time Optimizers** make up the largest portion of convenience shoppers (49%). These shoppers **are concerned with a fast, efficient shopping experience while being less concerned with price.**
- ➔ **Store aesthetics** (i.e., clean, safe, well-lit) and a robust product selection **appeal to Experience-Driven Loyalists.**
- ➔ **Value Seekers** do not prioritize location when selecting a convenience store and **are the most price conscious shoppers.**



RECOMMENDATIONS

1

Individuals may embody different shopper types on each visit based on certain factors or situations. Planning for how shoppers adjust from one trip to the next can help retailers serve customers more effectively.

2

Value Seekers are more likely to visit a store based on price or promotions and conduct a digital product search that leads them to a convenience store. Retailers should consider offering promotions on digital channels where shoppers are most likely to conduct a search.

3

Experience-Driven Loyalists should be nurtured as potential brand ambassadors. These customers appreciate additional loyalty benefits and could be encouraged to share their shopping experience on social channels.

4

Understand how **multiple checkout options can improve the customer experience** by serving shoppers based on their needs.

Three Types of Convenience Shoppers

Three primary shopper types reveal their own distinguishing characteristics that represent how a customer shopped a convenience store. These shopper types represent thousands of convenience store trips that are impacted by various circumstances such as the time of

day or whether the shopper was in a hurry. A shopper may align with one type more often than others, but it is unlikely a shopper mirrors a single type on every trip. As a result, retailers should prepare for multiple shopper types.

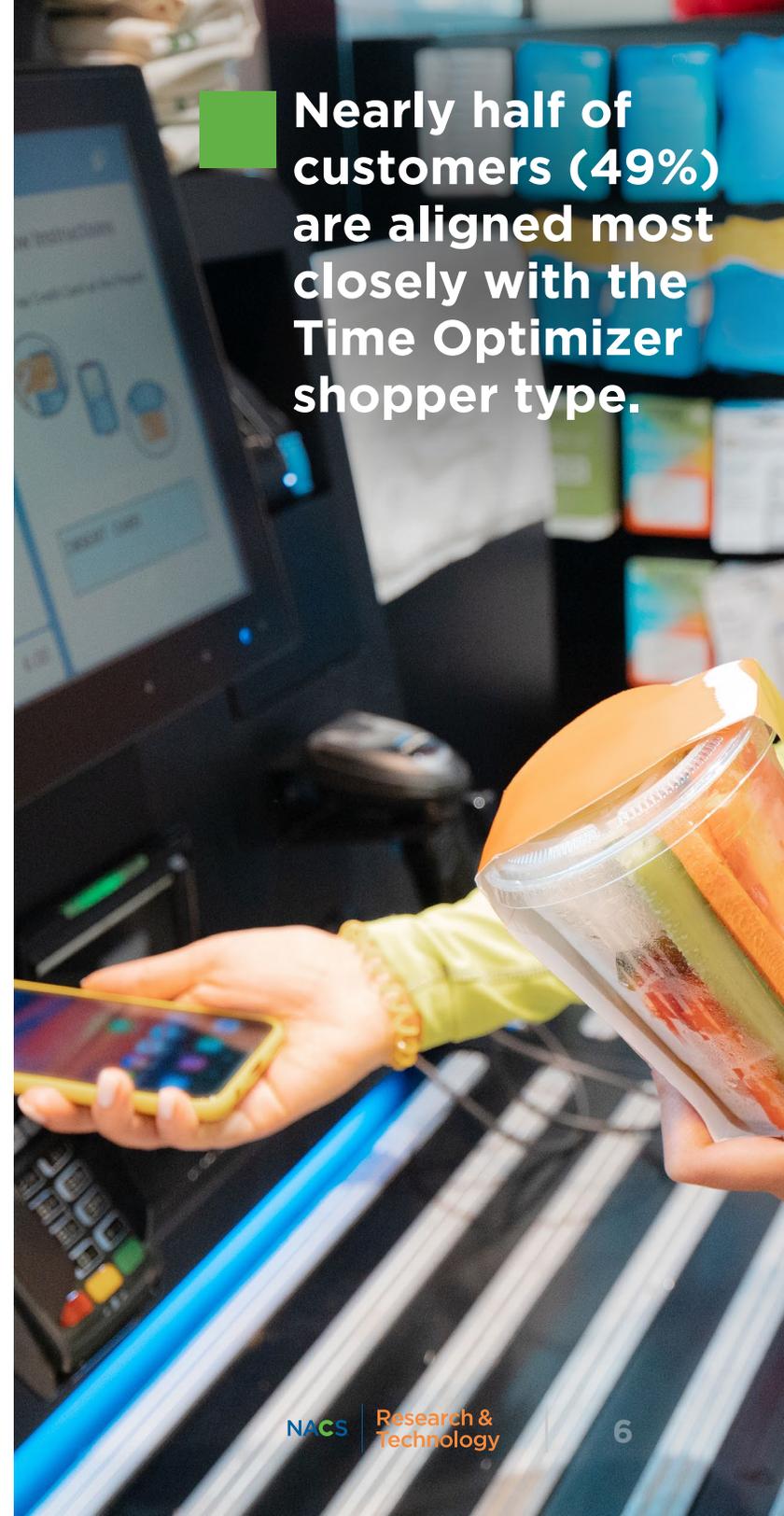
FIGURE 1: **THREE TYPES OF CONVENIENCE SHOPPERS**



Experience-Driven Loyalists are the smallest of the three shopper groups and are most likely to recommend a convenience store. Given their higher level of loyalty, this group of shoppers is most likely to engage with the convenience retailer and should be the primary audience for retailers to maintain a lasting relationship.

Although store location matters for these shoppers, they are also likely to frequent a location based on cleanliness, bright lighting, feeling safe, and available services. Because these shoppers are loyal, retailers should not risk taking them for granted given their propensity to look elsewhere for meals, their desire for quality products, and their higher likelihood to have different shopping missions.

Time Optimizers represent 49% of shoppers and are the most straightforward group. These individuals visit the closest convenience store to fulfill their needs and are typically on a quick shopping trip before returning to where they came from.

A photograph of a person at a checkout counter. The person is wearing a light green long-sleeved shirt and is holding a yellow smartphone in their right hand and a clear plastic cup with an orange lid and a smoothie in their left hand. The background shows a checkout counter with a computer monitor displaying a payment screen and a barcode scanner. There are blue and yellow items on the counter.

Nearly half of customers (49%) are aligned most closely with the Time Optimizer shopper type.



Value Seekers do not prioritize the most convenient store for their purchase and most frequently conduct a digital product search.

Time Optimizer tendencies suggest these individuals are on a premeditated mission for something specific and are unlikely to deviate from that objective based on ads or promotions. These shoppers are likely to choose a convenience store based on certainty that the store will have what they are looking for, which is supported by the low rate of missed purchases compared to the other two shopper types.

Value Seekers are most likely to conduct research leading up to or during convenience shopping trips. These shoppers are least likely to have a specific goal in mind for their trip but are concerned with getting a good deal on their purchase. For example, Value Seekers will go out of their way to make a purchase at a convenience store based on price. This group is least likely to recommend a store, as well as visit convenience stores more frequently based on prompts such as cleaner stores, a larger product selection, or healthy food options.

Distinguishing Features of Shoppers

Several aspects stand out as differentiating features for how each group shops convenience stores. As shown in Figure 2, one of these distinguishing points between the three shopper types is whether the shopper is planning to purchase quick service or fast food from a competitor in the next 30 minutes.

Experience-Driven Loyalists are the most likely to buy prepared food at the convenience store they visited and make an additional fast-food purchase due to wanting something not offered by the store.

Value Seekers will likely purchase fast food elsewhere, driven by a wider variety of options and lower prices at other locations. A range of food options appeals to Experience-Driven Loyalists and Value Seekers.

Time Optimizers consider a fast-food purchase from a competitor in the next 30 minutes least often. These shoppers are in a hurry and do not have a pre-meditated meal purchase in mind.

FIGURE 2: **PERCENTAGE OF SHOPPERS PLANNING A FAST-FOOD PURCHASE ELSEWHERE IN THE NEXT 30 MINUTES**

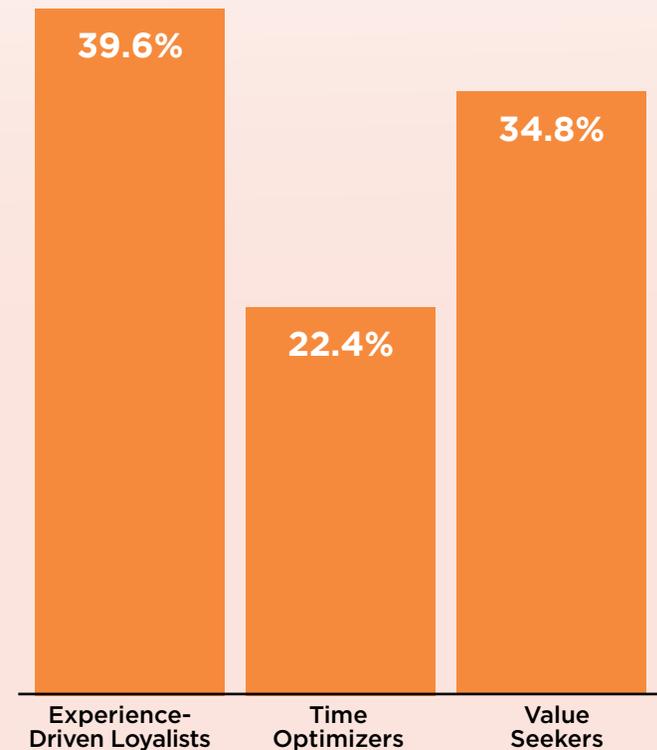
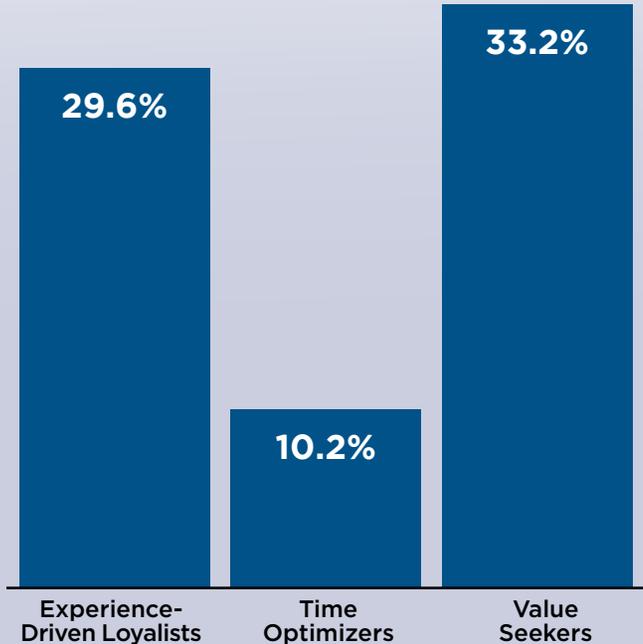


FIGURE 3: PERCENTAGE OF SHOPPERS THAT USED DIGITAL PRODUCT SEARCH TO FIND THE LOCATION WHERE THEY SHOPPED



Digital Product Search

One of the calling cards of Value Seekers is their inclination to conduct a digital product search and choose a convenience store location based on the results (Figure 3). This highlights the importance for convenience retailers to ensure they appear in search results. Convenience retailers may consider offering promotions on channels where shoppers are most likely to search (i.e., Google or Apple Maps) to entice Value Seekers.

On the other hand, Time Optimizers are unlikely to use a digital product search prior to visiting a store. These individuals find it less necessary to search for an item and will visit a convenience store knowing that it has what they need.

Value Seekers are the most likely to conduct a digital product search that led them to the convenience store where they shopped.

Net Promoter Score (NPS)

The Net Promoter Score (NPS) varies by shopper type. Experience-Driven Loyalists have the highest NPS (66), although these individuals represent the lowest percentage of convenience shoppers. Friendly staff, ease of finding what they need, and store aesthetics (i.e., store is well lit, clean, safe, and offers valuable services) drive Experience-Driven Loyalists' likelihood to recommend a store to others. Experience-Driven Loyalists are also more likely to recommend the convenience store based on the perception of low gasoline and merchandise prices compared with Time Optimizers and Value Seekers.

Nurturing Experience-Driven Loyalists as brand ambassadors can be a valuable resource for convenience retailers to leverage. These shoppers could be rewarded with additional loyalty benefits and be encouraged to use social media to promote the brand. Three-quarters (75.4%) of Experience-Driven Loyalists are a member of a convenience store's loyalty program, indicating rewards for these shoppers could incentivize them to promote a store brand on social channels.

FIGURE 4: NPS BY SHOPPER TYPE

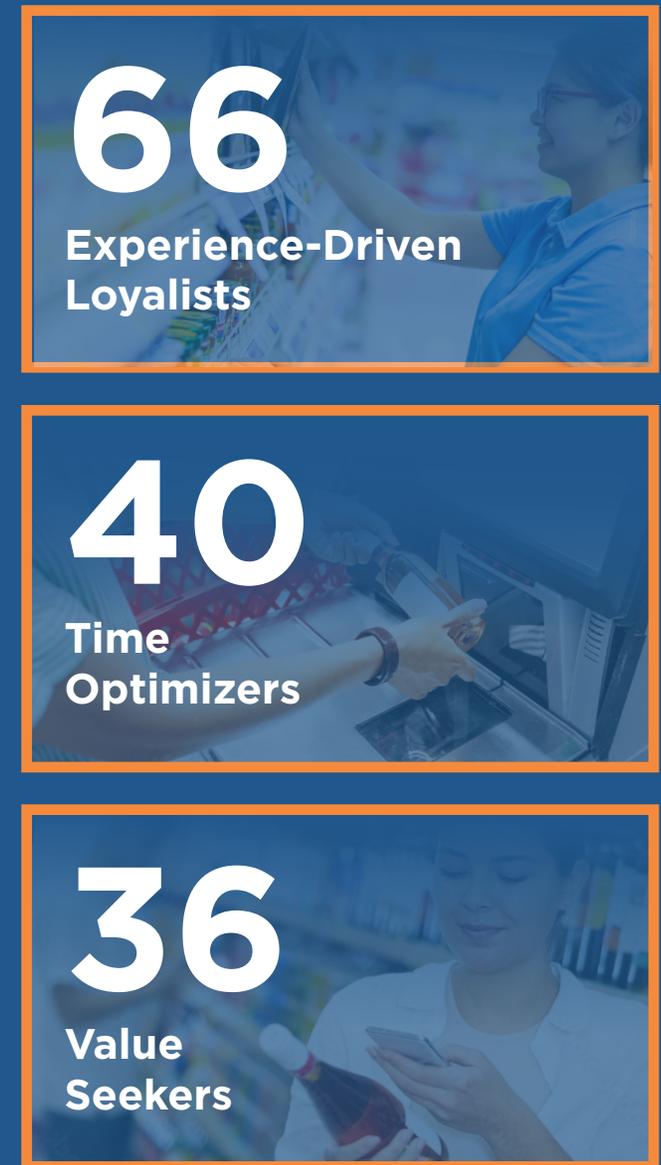
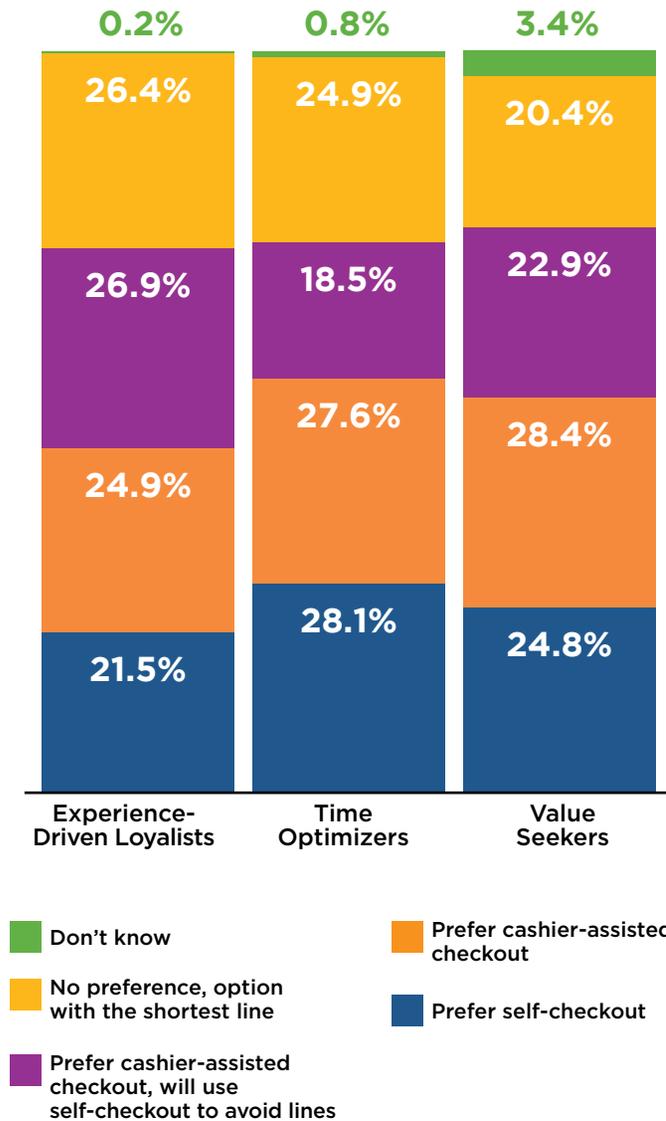


FIGURE 5: CHECKOUT OPTION PREFERENCE BY SHOPPER TYPE



Check-Out Preference

Different checkout preferences highlight the importance of having multiple checkout methods to fulfill the shopper’s preference. (Figure 5)

Time Optimizers represent the only group that has a slight preference for self-checkout relative to cashier-assisted checkout, which suggests that they are in a hurry and least interested in interacting with store staff.

Opposite of Time Optimizers, Experience-Driven Loyalists are also more likely to purchase multiple items and prefer to interact with a cashier. Different checkout preferences underscore the importance of having multiple checkout methods to fulfil the shopper’s preference during that trip.

Time Optimizers have the highest preference for self-checkout.

FIGURE 6: **SITE SELECTION FACTORS BY SHOPPER TYPE**

	Experience-Driven Loyalists	Time Optimizers	Value Seekers
Convenient location	86.4%	100.0%	0.7%
Modern, welcoming, or well-maintained store/lot	41.2%	5.5%	14.3%
Store services (delivery, curbside pickup, ATM, etc.)	21.1%	3.8%	15.0%
Time-saving or touchless checkout options	26.0%	3.7%	20.2%
Price (discounts, coupons, rewards, fuel loyalty)	65.6%	10.2%	32.3%
Speed of Service and Staff	52.8%	8.8%	23.9%
Products (merchandise, food, beverages)	64.5%	9.9%	24.7%

Note: Orange-shaded boxes represent the key distinguishing site selection features for each shopper type.

Site Selection Factors

Each shopper type selects a convenience store for distinct reasons (Figure 6). For example, Time Optimizers choose a store due to its convenient location, while Value Seekers are most likely to choose a store based on price, inclusive of discounts, coupons, or rewards.

Experience-Driven Loyalists prefer convenience stores that are modern, welcoming, and well-maintained at a much higher rate than the other shopper types. These shoppers are also more likely to select a store based on speed of service, store staff,

and product selection; therefore, ensuring these qualities are consistent throughout the shopping experience will continue to attract the most loyal shopper group.

Most Important Product Purchased

Figure 7 displays the most important product purchased among 12 in-store categories for each shopper type. Although there is not significant variability between shopper types in terms of the most important product purchased, a few differences highlight the trip drivers for each shopper group.

FIGURE 7: MOST IMPORTANT PRODUCT PURCHASED BY SHOPPER TYPE

	Experience-Driven Loyalists	Time Optimizers	Value Seekers
Packaged beverages	18.9%	20.2%	15.3%
Cold dispensed beverages	13.8%	15.3%	13.7%
Cigarettes	14.1%	13.2%	9.5%
Store services	6.5%	6.9%	8.6%
Prepared food	8.3%	6.0%	5.7%
Other tobacco products	4.5%	5.6%	5.6%
Hot dispensed beverages	4.6%	5.3%	4.8%
Candy	4.9%	5.0%	5.7%
Salty snacks	3.5%	4.8%	4.1%
Frozen dispensed	5.3%	4.6%	5.5%
Commissary	3.6%	3.9%	3.2%
Beer	3.2%	2.4%	3.8%

Over one-third of time Optimizers (35.5%) selected a packaged or cold dispensed beverage as the most important item purchased on their trip, which is higher than Experience-Driven Loyalists or Value Seekers (32.7% and 29.0%, respectively). Time Optimizers are also the least likely to notice a promotion or make an impulse purchase, suggesting that the beverage purchase is the primary driver of their shopping mission.

Experience-Driven Loyalists consider prepared food their most important purchase. This suggests that prepared food could drive greater satisfaction for these shoppers and contribute to higher loyalty rates. It also stresses the importance retailers should place on elevating the foodservice offer to drive more trips.



About this Research

This research is based on over 6,500 responses from the 2022 NACS Convenience Voices study, a proprietary shopper initiative conducted annually from July to September. This study captures convenience shopper feedback via geofenced mobile intercepts across the United States. The analysis in this report used Hierarchical and K-means cluster analysis to identify the three shopper types and distinctions between each group of shoppers.

Participate in Convenience Voices

Convenience Voices is a NACS proprietary syndicated mobile shopper insights program. The capability of this tool allows retailers and suppliers to capture and analyze on-site shopper feedback at the retail “moment of truth.” The data captured in the digital surveys glean insights into customer experiences and provide a deeper understanding of their motivations. NACS is excited to partner, unlock, and activate these shopper behavior insights with you. Contact Leroy Kelsey, NACS research director, at lkelsey@convenience.org, or visit www.convenience.org/voices for more information.

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