

## Convenience Store Foodservice - US - March 2017

Report Price: £3215.29 | \$3995.00 | €3762.21

The above prices are correct at the time of publication, but are subject to change due to currency fluctuations.



"The c-store (convenience store) foodservice market is marked by two distinct consumer types. One group includes frequent c-store customers. These consumers value variety at c-stores and generally have very positive views surrounding c-store foodservice offerings."

- Caleb Bryant, Foodservice Analyst

This report looks at the following areas:

- C-store perceptions vary dramatically
- MTO visitation lags behind beverage visitation
- C-store foods are not top of mind for consumers

Sales of foodservice items at c-stores continue to grow reaching an estimated \$34.5 billion in 2016; sales are expected to reach \$41.8 billion by 2021. C-stores can continue to grow their foodservice sales by offering consumers the quick, affordable meals they want while also branching out into more premium menu items.

**BUY THIS  
REPORT NOW**

**VISIT:**  
[store.mintel.com](http://store.mintel.com)

**CALL:**  
EMEA  
+44 (0) 20 7606 4533

Brazil  
0800 095 9094

Americas  
+1 (312) 943 5250

China  
+86 (21) 6032 7300

APAC  
+61 (0) 2 8284 8100

**EMAIL:**  
[reports@mintel.com](mailto:reports@mintel.com)

### DID YOU KNOW?

This report is part of a series of reports, produced to provide you with a more holistic view of this market

# Convenience Store Foodservice - US - March 2017

Report Price: £3215.29 | \$3995.00 | €3762.21

The above prices are correct at the time of publication, but are subject to change due to currency fluctuations.

## Table of Contents

### Overview

What you need to know

Definition

### Executive Summary

C-store foodservice sales on the rise

Figure 1: Total US sales and fan chart forecast of c-store foodservice sales, at current prices, 2011-21

The issues

C-store perceptions vary dramatically

Figure 2: C-store foodservice attitudes, any agree, by repertoire analysis, December 2016

MTO visitation lags behind beverage visitation

: Figure 3: C-store foodservice purchases, by c-store type, December 2016

C-store foods are not top of mind for consumers

Figure 4: Reasons for not purchasing c-store foodservice products, December 2016

The opportunities

Prepared foods are an opportunity for c-stores

Figure 5: Total US convenience store foodservices sales, at current prices, by segment, 2011-21

Strategically communicate quality to consumers

Figure 6: C-store foodservice quality indicators, December 2016

Focus on what c-stores do best while experimenting with new opportunities

Figure 7: C-store foodservice attitudes, any agree, December 2016

What it means

### The Market - What you need to know

The c-store foodservice market is growing

Competitors satisfy similar need states

C-stores need to adapt to new consumers

### Market Size and Forecast

C-store foodservice experiences strong growth

Figure 8: Total US sales and fan chart forecast of c-store foodservice sales, at current prices, 2011-21

Figure 9: Total US sales and fan chart forecast of c-store foodservice sales, at current prices, 2011-21

### Market Breakdown

Foods drive total market growth

Figure 10: Total US convenience store foodservices sales, at current prices, by segment, 2011-21

Figure 11: Total US convenience store foodservices sales, at current prices, by segment, 2011-21

Sandwich sales experience strong growth

Figure 12: Prepared food sales at c-stores, by category, 2014-15

Fountain CSDs command the cold dispensed drink category

**BUY THIS  
REPORT NOW**

**VISIT:** [store.mintel.com](http://store.mintel.com)

**CALL:** EMEA +44 (0) 20 7606 4533 | Brazil 0800 095 9094

Americas +1 (312) 943 5250 | China +86 (21) 6032 7300

APAC +61 (0) 2 8284 8100 |

**EMAIL:** [reports@mintel.com](mailto:reports@mintel.com)

# Convenience Store Foodservice - US - March 2017

Report Price: £3215.29 | \$3995.00 | €3762.21

The above prices are correct at the time of publication, but are subject to change due to currency fluctuations.

Figure 13: Distribution of cold dispensed beverage sales, 2014-15

Coffee and coffee beverage hot dispensed sales share grows

Figure 14: Distribution of hot dispensed beverage sales, 2014-15

## Market Perspective

QSRs satisfy similar consumer needs

Grocery stores expand hot and cold grab-and-go options

CPG foods fight for share of stomach

## Market Factors

Consumer confidence is up yet falling food prices are leading more to eat at home

Figure 15: Consumer Sentiment Index, January 2007 – December 2016

C-stores need to balance health, indulgence, and clean labels

Figure 16: Food and health statement agreement, "any agree," summer 2012-16

Understanding iGens

## Key Players – What You Need to Know

C-stores continue to grow their foodservice presence

Operators can improve their menu marketing

Keep an eye open for new competition and changing consumer tastes

## What's Working?

Coffee continues to grow

Sandwiches and sweets drive menu growth

Figure 17: Growth/decline in the incidence of the top 10 ingredient flavors at c-stores, Q4 2015 – Q4 2016

C-stores make food front and center

## What's Struggling?

C-stores are dropping Southwest/Tex Mex favorites

C-stores lack claims and are removing claims from menus

## What's Next?

Big brands set their sights on the c-store market

CSD alternatives offer something new for consumers

## The Consumer – What You Need to Know

Certain demographics drive c-store foodservice sales

C-store foods aren't top of mind for non-users

Turn beverage buyers into food buyers

Simple cues can make a difference in perceived quality

Keep it convenient

There is a strong difference in how consumers view c-store foods

## C-store Foodservice Visitation and Purchases

Over half of consumers have made a c-store foodservice purchase

**BUY THIS  
REPORT NOW**

**VISIT:** [store.mintel.com](http://store.mintel.com)

**CALL:** EMEA +44 (0) 20 7606 4533 | Brazil 0800 095 9094

Americas +1 (312) 943 5250 | China +86 (21) 6032 7300

APAC +61 (0) 2 8284 8100 |

**EMAIL:** [reports@mintel.com](mailto:reports@mintel.com)

# Convenience Store Foodservice - US - March 2017

Report Price: £3215.29 | \$3995.00 | €3762.21

The above prices are correct at the time of publication, but are subject to change due to currency fluctuations.

Figure 18: C-store foodservice purchases, any visitation, December 2016

## Defining the c-store customer

Figure 19: C-store foodservice purchases, any visitation, by select demographics, December 2016

## Self-serve beverages are the most purchased c-store foodservice item

Figure 20: C-store foodservice purchases, by c-store type, December 2016

## C-store foodservice categories purchased by demos

Figure 21: C-store foodservice purchases, any c-store type, by gender and by generation, December 2016

Figure 22: C-store foodservice purchases, any c-store type, by ethnicity/race and by HH income, December 2016

Figure 23: C-store foodservice purchases, any c-store type, by parental status and by area, December 2016

## MTO experiences vary by region

Figure 24: store foodservice purchases, any c-store type, by nine census regions, December 2016

## Heavy C-store Customer Food and Health Segmentation

### Methodology

### Food lifestyle definitions

### Health and wellbeing definitions

### Heavy c-store customers: Food Lifestyle

Figure 25: Food lifestyle segmentation of heavy c-store customers, distribution

Figure 26: Food lifestyle segmentation of heavy c-store customers, index against all respondents

### Heavy c-store customers: Health and Wellbeing

Figure 27: Health and wellness segmentation of heavy c-store customers, distribution

Figure 28: Health and wellness segmentation of heavy c-store customers, index against all respondents

## Non C-store Foodservice Consumers

### C-stores need to get customers in the door

Figure 29: Reasons for not purchasing c-store foodservice products, December 2016

### Foodservice options are not top of mind for older consumers

Figure 30: Reasons for not purchasing c-store foodservice products, by age, December 2016

### Urban/suburbanites are skeptical consumers

Figure 31: Reasons for not purchasing c-store foodservice products, by area, December 2016

## C-store Products Purchased

### Beverages remain the top purchased c-store offering

Figure 32: C-store foodservice purchases, December 2016

### Coffee drinks appeal to female c-store beverage consumers

Figure 33: C-store foodservice purchases, by gender, December 2016

Figure 34: C-store foodservice purchases, by parents, December 2016

### Millennials buy more meal items

Figure 35: C-store foodservice purchases, by generation, December 2016

### Higher earners are coffee/tea drinkers

Figure 36: C-store foodservice purchases, by HH income, December 2016

**BUY THIS  
REPORT NOW**

**VISIT:** [store.mintel.com](http://store.mintel.com)

**CALL:** EMEA +44 (0) 20 7606 4533 | Brazil 0800 095 9094

Americas +1 (312) 943 5250 | China +86 (21) 6032 7300

APAC +61 (0) 2 8284 8100 |

**EMAIL:** [reports@mintel.com](mailto:reports@mintel.com)

# Convenience Store Foodservice - US - March 2017

Report Price: £3215.29 | \$3995.00 | €3762.21

The above prices are correct at the time of publication, but are subject to change due to currency fluctuations.

A third of consumers only purchase one c-store foodservice product

Figure 37: C-store foodservice purchases, repertoire analysis, December 2016

## Deep Dive: Pizza

Keep it personal

Figure 38: C-store pizza offerings interest, December 2016

## Deep Dive: Coffee

A strong coffee program is key for c-stores

Figure 39: C-store coffee offering interest, December 2016

Women value flavor variety

Figure 40: C-store coffee offering interest, by gender, December 2016

Specialty coffee is an opportunity to reach younger consumers

Figure 41: C-store coffee offering interest, by age, December 2016

## Deep Dive: Roller Grill

Value and variety can increase roller grill sales

Figure 42: C-store roller grill offering interest, December 2016

## Deep Dive: Salad

Low-hanging fruit

Figure 43: C-store salad offering interest, December 2016

## C-store Foodservice Quality Indicators

Freshness and visual cues are point of entry quality indicators

Figure 44: C-store foodservice quality indicators, December 2016

Figure 45: Consumer definition of fresh food and beverages at convenience stores, December 2015

Freshness resonates more with women

Figure 46: C-store foodservice quality indicators, by gender, December 2016

Figure 47: Consumer definition of fresh food and beverages at convenience stores, by gender, December 2015

Presentation is paramount for iGens

Figure 48: C-store foodservice quality indicators, by generation, December 2016

Southern consumers most responsive to employee interactions

Figure 49: C-store foodservice quality indicators, by census region, December 2016

Figure 50: C-store foodservice quality indicators, by area, December 2016

Great packaging can keep true loyalists happy

Figure 51: C-store foodservice quality indicators, by c-store consumer type, December 2016

## MTO Versus Prepared Foodservice Options

MTO foods perceived more favorably than prepared foods

Figure 52: MTO versus Prepared perception, December 2016

Men and women have varying views of MTO options

Figure 53: MTO versus Prepared perception, by gender, December 2016

**BUY THIS  
REPORT NOW**

**VISIT:** [store.mintel.com](http://store.mintel.com)

**CALL:** EMEA +44 (0) 20 7606 4533 | Brazil 0800 095 9094

Americas +1 (312) 943 5250 | China +86 (21) 6032 7300

APAC +61 (0) 2 8284 8100 |

**EMAIL:** [reports@mintel.com](mailto:reports@mintel.com)

# Convenience Store Foodservice - US - March 2017

Report Price: £3215.29 | \$3995.00 | €3762.21

The above prices are correct at the time of publication, but are subject to change due to currency fluctuations.

## MTO offerings appeal to older consumers

Figure 54: MTO versus Prepared perception, by age, December 2016

## C-store Foodservice Attitudes

### Consumers value the "c" in c-stores, but few are loyalists

Figure 55: C-store foodservice attitudes, any agree, December 2016

### Disconnect in c-store perceptions by gender

Figure 56: C-store foodservice attitudes, any agree, by gender, December 2016

Figure 57: C-store foodservice attitudes, any agree, by gender and age, December 2016

### Boomers are reluctant c-store customers

Figure 58: C-store foodservice attitudes, any agree, by generation, December 2016

### A "fresh look" may appease higher earners

Figure 59: C-store foodservice attitudes, any agree, by HH income, December 2016

### Northeast region has high c-store satisfaction

Figure 60: C-store foodservice attitudes, any agree, by census region, December 2016

Figure 61: C-store foodservice attitudes, any agree, by area, December 2016

### Heavy c-store users drive positive sentiments

Figure 62: C-store foodservice attitudes, any agree, by repertoire analysis, December 2016

## Appendix – Data Sources and Abbreviations

Data sources

Sales data

Fan chart forecast

Consumer survey data

Consumer qualitative research

Mintel Menu Insights

Abbreviations and terms

Abbreviations

Terms

## Appendix – Market

Figure 63: Total US convenience store foodservices sales, at inflation-adjusted prices, 2011-21

Figure 64: C-store Prepared food sales distribution, 2014-15

Figure 65: Unemployment and underemployment, January 2007-September 2016

Figure 66: Disposable Personal Income change from previous period, January 2007-September 2016

**BUY THIS  
REPORT NOW**

**VISIT:** [store.mintel.com](http://store.mintel.com)

**CALL:** EMEA +44 (0) 20 7606 4533 | Brazil 0800 095 9094

Americas +1 (312) 943 5250 | China +86 (21) 6032 7300

APAC +61 (0) 2 8284 8100 |

**EMAIL:** [reports@mintel.com](mailto:reports@mintel.com)