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PINE FOOD MART



Presidential Candidates May Want to Blame or Cheer Gas Prices; Analysts Say, 'Not So Fast'

HOUSTON - Even if gas prices aren't mentioned in the presidential debate between Donald Trump and Kamala Harris, they may help voters decide how they feel about the economy. The average price for gas in Houston is \$2.82 a gallon, down \$0.22 in the last month, according to AAA.

By Yahoo

The current price is down \$0.50 from a year ago, and up \$1.07 from October 2020, just before the last election and during the pandemic.

Politicians might want to make something of that, but the industry says there's no connection to this global commodity.

"That trend is really being driven by supply and demand dynamics, led by poor demand in China, and increased supply out of Canada and the United States," says Houston energy analyst Andy Lipow.

Simply put, we've got lots of fuel to go around, right now, and not enough global demand to push prices any higher. That's great news for domestic consumers who are generally driving less, after the summer months, and filling-up less as well.

Counterintuitively, hostilities and tensions in Ukraine and the Middle East have had little effect of prices. Neither, too, did production cuts of millions of barrels of oil by OPEC, which

has signaled it will extend restrictions for months, to try to push prices higher.

In North America, U.S. and Canadian producers are flowing freely from projects that were financed over the last several years, and have to produce in order to pay off the investment. For now, that keeps prices low and gas more affordable, until reality catches up.

"Now that prices have sunk, what we are seeing is a slowdown in the number of drilling rigs that are being employed, which means that the rate of growth of increasing oil-production is going to slowdown over the next six to 12 months," says Lipow.

Oil prices hit a three-year low, trading just above \$66 a barrel, at the close of business. Lipow expects even more, with gasoline prices projected to fall another \$0.30 a gallon by the end of October, just before election day, with little change until next year regardless of who wins in November.

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Leveraging the Shifting Perception of Convenience Stores

Intouch Insight reveals key data on changes that savvy retailers should include in their strategies.

By Convenience Store News

NATIONAL REPORT — The times, they are a-changing. This old Bob Dylan lyric is becoming increasingly relevant to retail in general and to the convenience store channel in particular as consumers change their priorities, their shopping habits and their expectations from the stores they visit.

One of the biggest areas of change is how consumers perceive convenience, according to customer experience solutions provider Intouch Insight, whose 2024 Convenience Store Trends Report revealed key details about what is shifting that perception and how operators can leverage change to power the next era of c-stores.

Perception of new technologies is the first of three notable

shifts retailers should pay attention to, according to Intouch Insight President and CEO Cameron Watt, who discussed key insights of the report with *Convenience Store News*. He noted that examining data through the lens of age difference reveals how these perceptions differ among age groups — for example, more than 40% of study respondents aged 18-24 said they would choose a location with an electric vehicle (EV) charging station over one without, compared to just 6% of those aged 65-74. Similar differences were seen for newer technologies such as self-checkout.

"Retailers need to understand the make-up of their customer demographic in addition to analysis around market and competition to understand best what technologies they should consider in their stores and when they should be

adopted," Watt said. "We recommend staying on top of this kind of insight through customer surveys and competitor mystery shops to understand not just what your customers want but how they are being serviced by other local brands."

A second major shift is occurring in how consumers perceive convenience stores, with the rising view of them as quality meal destinations demonstrating the need to elevate both offerings and environment.

Watt also highlighted the shifting perception of the importance of cleanliness and store ambiance. Intouch Insight observed a 10 point increase in the percentage of shoppers who view these attributes as crucial factors in their choice of convenience store.

Improving the In-Store Experience

The continued growth in food options at c-stores comes with what looks like a dilemma. Made-to-order food is popular with consumers, 93% of whom have tried it at a c-store. However, made-to-order inherently requires more preparation time than grab-and-go food, which clashes with a common definition of convenience: the ability to get in and out of a store as quickly as possible.

However, it's often not a dealbreaker. Consumers who gravitate toward higher quality, freshly prepared meals are more willing to wait to get them. Perception also plays a role — Watt cited the "2023 Intouch Insight Annual Drive-Thru Study," which found that shoppers who rated drive-thru service as being faster than expected had an overall satisfaction with a level of service rating of 95%, vs. 73% for those who rated the service as being slower than they expected.

Other factors that make customers more willing to wait for made-to-order food include:

- 1. **Perceived Value:** Customers are more likely to wait if they believe the food offers good value for the price. Still, only 62% of consumers feel this is the case for made-to-order c-store food, leaving room for improvement.
- **2. Experience as a Destination:** C-stores are increasingly becoming destinations themselves and customers are willing to spend more time in-store.
- **3. Enhanced Experience:** Creating a comfortable instore dining area can encourage customers to wait and enjoy their meals on-site.

Watt also highlighted a 10 point jump from 2022 in the percentage of shoppers who view c-stores as viable alternatives to quick-service restaurants, pushing the figure past the 50% mark (to 56%) for the first time. To maintain this momentum, he advises c-stores to continue to innovate, focus on quality, promote value, enhance the in-store experience and leverage technology.

Leveraging technology doesn't have to mean investing



in every new option that comes along. For example, the speediness of self-checkout may make it an obvious investment for some retailers; however, many consumers still value interaction with a cashier. Self-checkout is definitely gaining traction, but the possibility of increased theft and technical errors are valid concerns. Ultimately, retailers should make a strategic decision based on their unique customer base, operational resources and long-term vision.

"As an industry, we are at a generational crossroads, and navigating the timing and priority of technological innovation will be a challenge with no single right answer," Watt said. "For retailers, this means that while self-checkout options can be a valuable addition to cater to tech-savvy customers, maintaining efficient and friendly service at traditional checkout counters remains crucial for overall customer satisfaction."

Intouch Insight also found that certain positive attributes of c-stores' physical environment, such as cleanliness and lighting, as well as employee demeanor, are very much on consumers' minds as they consider where to shop. However, the degree to which they positively impact sales is harder to measure and translate into numbers.

To improve and proactively maintain high standards in these key areas, Wells recommends regularly conducting individual store checks, including mystery shopping and operational audits.

"These ongoing assessments allow for quick identification of locations that need some extra attention, whether it's a matter of cleanliness not meeting service expectations or inconsistent adherence to brand standards," he explained.

On the flip side, these initiatives can also help brands reinforce good behaviors they want employees to exemplify and the standards employees should meet through the use of recognition and reward.

"Often the carrot works more effectively than the stick when you want to impact organizational culture and ensure long-lasting, impactful changes," Watt said. ■



Halloween Spending Expected to Break Records

Half of shoppers plan to spend \$51 or more on candy this year.

By Convenience Store News

CLAYTON, Mo. — Despite their concerns about the economy, consumers are planning to get into a spooky mood this Halloween, with spending expected to surpass last year.

Even compared to pre-COVID numbers, Halloween in 2023 was the biggest on record when U.S. families spending increased 15% to reach an all-time high of \$12.2 billion. Fast forward to 2024, and Halloween shoppers are planning to spend more on candy, food, costumes and decorations this year, according to a new Advantage Outlook survey of Halloween shoppers.

"Over the past four years, Halloween — like many other holidays — has proven to be a resilient investment for both retailers and consumers, even amid economic uncertainty," wrote Kelly Ravestijn, senior vice president of commerce intelligence at Advantage Unified Commerce, a division of Advantage Solutions, a leading business solutions provider to consumer goods manufacturers and retailers.

This year, half of shoppers plan to spend \$51 or more on candy while 59% will spend that amount on food for

Halloween. Similar increases in spending are planned for costumes and decorations this year.

More Spooktacular Insights

According to Advantage Outlook's "Halloween 2024 Trends" report:

- Even as the economy shows positive improvements, 49% believe either inflation, the pending recession or both will impact their Halloween spending.
- Only 8% of shoppers plan to use delivery apps for candy and 9% for food or beverages.
- 46% of candy shoppers will purchase based on what has good value/price, while 42% of candy shoppers will purchase goods with promotions or sales.
- 55% will purchase candy multiple times during the season, with one-quarter buying three or more times.

"This trend reflects a broader consumer behavior where individuals are tightening their budgets on everyday expenses yet remain unwilling to sacrifice their cherished holidays and small luxuries," Ravestijn said. "Even as they cut corners elsewhere, consumers increasingly view holidays like Halloween as non-negotiable indulgences, reinforcing their value in the retail landscape."

Candy is King

It's no surprise that candy sales dominate Halloween spending, with chocolate at the top of list for 81% of candy shoppers. Chewy/gummy candies and mixed assortments are also popular, with approximately two-thirds of shoppers planning to purchase each of those categories, too.

Most shoppers plan to make their candy purchases at a mass retailer (81%), while grocery (40%), club stores (40%) and online retailers (34%) are also popular channels, according to Advantage Solutions.

However, while candy purchases are a given, Halloween candy buyers are slow to make their purchases — seven in 10 will wait until the week of Halloween to buy their candy.

Given that fact, Ravestijn suggests retailers can drive earlier purchases by offering candy as part of bundled deals with costumes and décor, creating themed assortments that encourage early shopping. She also recommends early-bird discounts and exclusive candy assortments, allowing retailers to capitalize on consumers' fear of missing out on limited-edition items and generate candy sales earlier in the season.

"Retailers should double down on creating a sense of urgency as Halloween approaches," she pointed out. "By offering targeted flash sales, bundling discounts and loyalty rewards closer to the holiday, retailers can attract these price-conscious shoppers. Well-stocked shelves and eye-catching displays in the final week are crucial to driving impulse buys as consumers rush to finalize their Halloween plans."



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