



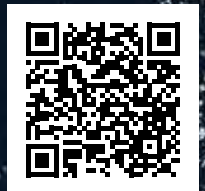
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5 C-Store Snack Trends to Watch in 2025

Pricing pressures will continue to impact consumer spending in the first half, but familiar flavors and protein pushes could change the landscape, experts say.

By C-Store Dive

As Americans continue to guard their pocketbooks as they roll into 2025, c-store snack sales may experience a rough first half of the year, according to analysts.

Consumers gravitated toward value-based offerings throughout 2024, which will more than likely continue into the first half of 2025, predicted Sally Lyons Wyatt, global executive vice president and chief advisor for consumer goods and foodservice insights for Circana.

This tendency puts pressure on the convenience channel to

capture consumer trips and sales, Wyatt noted. “Prices will have to be competitive with the value-based retailers to continue the momentum c-store is realizing,” she said.

Which leads to the first and largest trend for c-store snacks.

Value remains key to sales

C-stores had an “off year” in 2024, said Anne-Marie Roerink, principal at 210 Analytics.

“Consumers mixed in far more stores into their grocery

shopping to capitalize on sales promotions,” said Roerink. “It appears that that focus on price meant some volume pressure for convenience stores.”

However, some of consumers’ value-based buying habits could benefit c-stores, according to Lyons Wyatt.

“The convenience channel had headwinds with consumers leaning into home occasions more in 2024, so we may see a more balanced approach of in- and out-of-home occasions,” she said.

C-stores should make sure not just to have a good assortment of options, but also a variety of sizes to appeal to multiple price points. Retailers can also lean on promotions and other pricing strategies to keep costs lower.

And it’s not always just about the lowest cost. Consumers are balancing price and promotion with mood, nutrition, convenience, sustainability and more, Roerink added.

“While the focus on money-saving measures is overriding, consumers also have many times and reasons when they will spend a little more,” Roerink said.

Tortilla chips and other salty snacks will continue to see fluctuations in 2025.

Potato and tortilla chips will continue to fluctuate

Potato and tortilla chip sales were on a roller coaster ride in 2024. Potato chips were at the top of that category and accounted for 30% of all salty snack sales in c-stores last year at \$2.4 billion, according to Circana data.

However, during the quarter ending Dec. 1, potato chip volume plummeted 5% in c-stores, while dollar sales fell 2.7%. A disappointing potato crop in 2023 drove up prices that year, according to Roerink, while a better 2024 crop relieved the price pressure. Still, sales have been deflationary this year, she noted.

Tortilla chip sales were the inverse, increasing 2.5% for the quarter ending Dec. 1 but dropping about half a percent for the full year, according to Circana.

Still, tortilla chips are the second-highest-selling segment in the salty snacks category, surpassing \$1.7 million in sales for the year ending Dec. 1.

Lyons Wyatt expects to continue to see fluctuations in sales of potato chips, tortilla chips and pretzels for at least the first six months of 2025.

Meat snacks, protein bar sales expected to rise

“All things protein” remains one of the biggest trends across many categories, according to Roerink.

“Meat snacks are quite the story over the past decade. Dollars, units and volume just continue to grow hand-in-hand with assortment,” she said.

In fact, jerky sales rose 2% for the quarter ending Dec. 1, while volume rose more than 1%. Sales of “all other meat snacks”, however, fell 5.6% while units dropped 8%.

“Given the quest for well-being by many U.S. consumers and impending education and changes with MAHA [Make America Healthy Again], I agree with the [positive] outlook of protein snacks,” Lyons Wyatt said.

In addition to a shift toward higher-protein diets, the category is benefiting from innovation, according to Roerink, including changes suppliers are making to the type of meat used — including exotic meats, along with chicken, turkey and other non-traditional proteins.

Due to the high protein trend, sales of “nutritional/intrinsic health value” bars in c-stores rose nearly 4% for the quarter. That’s compared to sales of “breakfast/cereal/snack bars/clusters,” which declined 12%, and granola bar sales, which dropped 10% during the same timeframe.

Some manufacturers are innovating with different types of protein for their jerky.

Cheese snacks cede ground to chips

Cheese snack sales, overall, were down in 2024, but it is unclear how 2025 will shake out. Cheese snacks are still a “snack fan favorite,” Lyons Wyatt said, noting that, over the past year, sales actually increased 1.2% while units fell 3.7%.

Roerink said that when potato chip sales were challenged in 2023 due to high inflation, cheese snacks had a strong year. Now that demand for potato chips has geared back up, “some of that demand appears to have shifted back.”

However, as a generally high protein snack, it could benefit from the push toward foods with functional benefits.

Cookies sales up in the air

As consumers balance a desire for more functional ingredients with the desire to treat themselves, cookie sales will likely continue to be caught in the middle in 2025. While sales of cookies in c-stores rose almost 2% for the quarter ending Dec. 1, unit sales declined around 4%.

“Over the past few years, consumers have become more focused on balanced diets over very restrictive ones. As such, we’re still seeing a strong focus on protein but not as strict of a limitation of carbs,” Roerink said.

Consumers who stick with the cookie category are seeking new experiences, unexpected flavors and flavor combinations, childhood favorites and traditions, and pure indulgence in their snacks, according to Roerink.

The top cookie flavors in c-stores over the past year include chocolate, peanut butter and caramel, according to Lyons Wyatt, while top-selling bar flavors include cookies & cream, chocolate chip cookie dough and marshmallow. ■



Lines Blur for Grocery Stores, Convenience Stores, Quick-Service Restaurants

Grocers are embracing convenience.

By Jeff Baskin

I have been working in retail—and more specifically with grocers, restaurants, convenience stores and big-box retailers—for close to 25 years. Never have I seen such a crossover between these verticals. Have you noticed how your grocery store feels more like a restaurant these days? Salad bars, made-to-order sandwiches, and fresh pizza slices are becoming as common as aisles of canned goods. At the same time, quick-service restaurants (QSRs) are adding healthier menu options and expanding their reach into neighborhood locations once dominated by grocery stores.

The lines among grocery stores, convenience stores and QSRs are blurring, driven by changing consumer preferences and industry competition. This is not just a passing trend—it's a seismic shift in how we eat and shop.

Blurring the Lines

The U.S. grocery industry is worth an eye-popping \$1.5 trillion, and fresh-prepared meals now account for a significant slice of that pie. This segment exploded during

the pandemic, when 57% of Americans increased their takeout orders for safety and convenience. Grocery retailers quickly stepped up, offering fresh-prepared, grab-and-go options like made-to-order sandwiches, meal kits and ready-to-eat meals.

Meanwhile, QSRs are riding their own wave of growth. The global QSR market is projected to reach \$1.6 trillion by 2027, fueled by rapid location expansion and the rise of specialty chains like Cava, which grew from a single Mediterranean eatery in Bethesda, Maryland, to more than 400 locations, plus a successful initial public offering (IPO) worth \$1.5 billion—all in just 12 years.

Even gas stations are getting in on the action. Chains like Wawa, Sheetz and Casey's have evolved far beyond "Cokes and smokes." Today, they compete directly with QSRs and grocery stores, offering fresh salads, customizable pizzas and even artisanal sandwiches. Casey's alone is the 5th largest pizza chain in the U.S., selling 30 million pizzas a year.

Remember Clark Griswold from the “National Lampoon’s Vacation” movie? Clark has been in the car for so long that he says, “I’m so hungry I could eat a sandwich from a gas station.” Well, Clark wasn’t wrong back in 1983, but I think he would be now. The Shorty Hoagie and Philly Pretzel from Wawa are both delicious!

The Consumer Factor

Why the shift? It boils down to three consumer demands:

- 1. Convenience:** Busy lifestyles have increased the need for quick, high-quality meal options.
- 2. Value:** Rising dining-out costs make fresh-prepared meals at grocery and convenience stores a more attractive choice.
- 3. Health:** Shoppers want healthier, fresher alternatives to traditional fast food.

Today, the average American spends \$1,200 annually on QSRs, continuing to demonstrate a strong appetite for this category. Grocery stores are leaning into this opportunity by integrating foodservice offerings, while QSRs are doubling down on convenience and expanding into grocery-like offerings such as meal kits and fresh produce.

Opportunities for Growth

The company I work for, NexChapter, has been working with our retail clients on this convergence of grocery, QSR and convenience retail as the potential growth in this area is enormous. For retailers looking to thrive in this space, focusing on the following areas is critical:

- 1. Made-to-order meals:** Made-to-order sandwiches, salads and pizzas are growth drivers, meeting

consumer demand for fresh, customizable options. Adding made-to-order offerings can significantly boost basket sizes while appealing to on-the-go shoppers.

- 2. Upselling opportunities:** The “fresh-food halo” can drive additional sales. For example, a shopper grabbing a made-to-order sandwich might also pick up a drink, chips, or dessert, increasing the overall ticket size. How about adding a cup of coffee or a doughnut to a curbside pickup from your grocery store? It’s a huge increase in revenue.
- 3. Loyalty programs:** A seamless digital experience—mobile ordering, personalized offers and rewards—is key to retaining customers and driving repeat visits.
- 4. Inventory optimization:** Leveraging artificial intelligence (AI)-powered forecasting ensures fresh food is available without creating waste. For example, Costco sells 100 million rotisserie chickens annually, proving that precise demand planning can lead to staggering results.

The Role of Technology

Large or small retailers have no excuse not to be investing in technology to improve their chances to grab a piece of this market. There are plenty of technology providers out there that can help retailers get to market faster and many are inexpensive compared to the return. None of this would be possible without technology. Retailers must invest in:

- **Integrated order fulfillment platforms:** Streamline operations for grocery items and fresh-prepared foods
- **Mobile apps:** Enable easy ordering, payment and loyalty rewards
- **AI forecasting tools:** Minimize waste by accurately predicting demand
- **Ecommerce systems:** Handle everything from online grocery shopping to made-to-order meal customization

A restaurant company like Cava has proven that embracing technology can fuel growth. Their app-driven experience, combined with in-store tech, has helped them scale rapidly while maintaining quality. They’ve also expanded into CPG and grocery.

What’s Next?

As grocery stores, convenience stores and QSRs continue to blend, competition will intensify. Success in this landscape requires more than just great food—it requires innovation, personalization and a relentless focus on the customer experience.

The next time you grab a sandwich from a grocery store or notice fresh produce in a QSR, think about the transformation happening in retail. These blurred lines aren’t just reshaping what’s on the menu—they’re redefining the entire industry. ■





C-Store Market to Grow by \$930 Billion

The growth is driven by rising demand for convenient food products, with a trend toward private-label products.

By C-Store Decisions

It's revealed that the global convenience store market size is estimated to grow by \$930 billion from 2024-2028, based on a recent report from Technavio. The market is estimated to grow at a compound annual growth rate of 6.78% during the forecast period. Growing demand for convenient food products is driving market growth, with a trend toward increase in demand for private-label brands. However, changing buying behavior due to increasing online retailing and e-commerce poses a challenge.

Market Driver

In 2022, private-label grocery and apparel products experienced significant growth worldwide. Major retailers, who dominate the industry, have expanded their private-label product lines. Popular private grocery items, including soft drinks, frozen and refrigerated foods, alcohol, snacks, confectionery, meat, dairy, and sausages, have seen increased demand. Private-label brands offer these products at lower prices, driving demand from retailers. Changing consumer expectations demand premium products at affordable prices, leading to the launch of new private-label brands. This trend is boosting the growth of discount convenience stores. Thus, the rising preference for private-label brands presents lucrative opportunities for the growth

of discount convenience stores during the forecast period.

C-stores have become a staple in urban areas due to fast-paced living and increased population density. These retail establishments offer necessities like groceries, household goods and essentials. Impulse purchases such as snacks, soft drinks and confectionery items also drive sales. Emergency products and fresh food are growing trends, with some stores expanding into the foodservice segment. Traditional corner stores are evolving into mini, expanded and hyper convenience stores. Strategic locations, self-checkout systems, contactless payment options and mobile apps are key features. Kiosks and franchising concepts are popular, with home deliveries and fresh food becoming important offerings. Societal trends like holidays and urban lifestyles influence promotional strategies. Necessities like groceries, essentials, and household consumables remain the backbone, while impulse items such as periodicals, tobacco products and alcohol continue to attract customers. Retail investments are on the rise, making convenience stores a lucrative retail business opportunity.

Market Challenges

The e-commerce sector's continuous growth and the changing consumer buying behavior have significantly impacted the convenience stores market. With the increasing use of technology and the widespread availability of the Internet, consumers now prefer online shopping due to its convenience and flexibility. E-commerce platforms offer secure transactions, cash-on-delivery options, convenient return policies, integrated customer service, product availability and 24-hour accessibility. These services have encouraged consumers to purchase consumer goods online, leading to a decrease in sales for traditional convenience stores. The growing preference for online shopping among millennials, who have a higher purchasing power, further exacerbates this trend. As a result, the global convenience store market is expected to experience a negative growth during the forecast period.

Convenience stores face several challenges in today's market. With increased population density in metropolitan areas, retail investments lead to more retail establishments in congested venues. Franchising concepts are popular, but offering unique product offerings, including important items like home consumables, packaged beverages, confectionery items, tobacco products, periodicals and fresh produce, is crucial. Holidays and emergency purchases drive sales, especially for items like ice, milk, eggs, and cigarettes and tobacco. Traditional stores must adapt to digital transformation, offering home delivery, online goods, foodservice, and time-saving options like self-checkout and inventory management systems. Real estate costs are high in urban areas, making it essential to cater to middle-class populations' everyday needs. Sustainability initiatives like low-alcoholic beverages and fresh, organic and low-sugar options are important. Private-label brands and national brands must coexist, and plastic waste reduction is a pressing concern. ■



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