“The continued development of the convenience store market has been driven by the understanding of the change in grocery buying habits. Consumers, particularly younger consumers, are shopping for less more frequently and the leading convenience store retailers have developed a format to both cater to and nurture this behaviour.”

– Nick Carroll, Retail Analyst

This report looks at the following areas:

- Which locations are convenience stores most used in?
- What demographics are worth focusing on and who are the most frequent shoppers?
- Use of convenience stores for top-up and main shopping
- The impact of online and the discounters on c-stores
- Replacing footfall lost from the declining markets of traditional footfall drivers

In recent years the convenience market has benefitted from increased investment from the major grocery retailers. This has raised standards across the market and brought a greater focus on fresh, frozen and food-to-go products expanding the range of needs that convenience store operators can accommodate.

Alongside this the market has benefitted from both the growth in online shopping and more recently the rise of the discount retailers. Shopping at these two grocery formats requires a level of top-up shopping and the convenience market was and remains well placed to pick up this demand.

Convenience stores have also benefited from the changing grocery shopping habits of younger consumers, a key demographic for the market. Younger consumers are increasingly shopping on a when needs basis – smaller more frequent shops that include food-to-go purchases. The convenience market has in some part facilitated this changing behaviour.

The market continues to out-grow the overall grocery market although growth slowed in 2014 to in part due to lower food prices.

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Which locations are convenience stores most used in?

**The facts**

- The implications

What demographics are worth focusing on and who are the most frequent shoppers?

**The facts**

- The implications

Use of convenience stores for top-up and main shopping

**The facts**

- The implications

The impact of online and the discounters on c-stores

**The facts**

- The implications

Replacing footfall lost from the declining markets of traditional footfall drivers

**The facts**

- The implications

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**Hungry Planet**

**Life Hacking**

**Mintel Futures**

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Freshness worries to blame for lack of fresh produce at the independent corner shop?

Tailored product mix gives stores a USP

Retail product mix

What you need to know

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Brand personality: Spar lacks some spark

Sainsbury’s Local noted for customer service, Tesco Express may face some cynical consumers

Brand analysis

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Sainsbury’s Local has strong customer service element but lacks the same presence as Tesco Express

Tesco Express has high usage from its large network of stores, especially in urban areas

The Co-operative’s strength is its rural presence and convenience

Spar likely to be used for essentials but may be seen as too basic for bigger shops

Brand Communication and Promotion

Key points

Leading supermarket and c-store advertisers

42.2% of advertising spend channelled through TV

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