

The State

OF

The Consumer

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Issues of Focus

- ✍ **State of the Consumer - Overview**
- ✍ **Demographic Shifts**
- ✍ **Key Category Analysis**
 - Foodservice
 - Cigarettes
 - Gasoline

Terminology

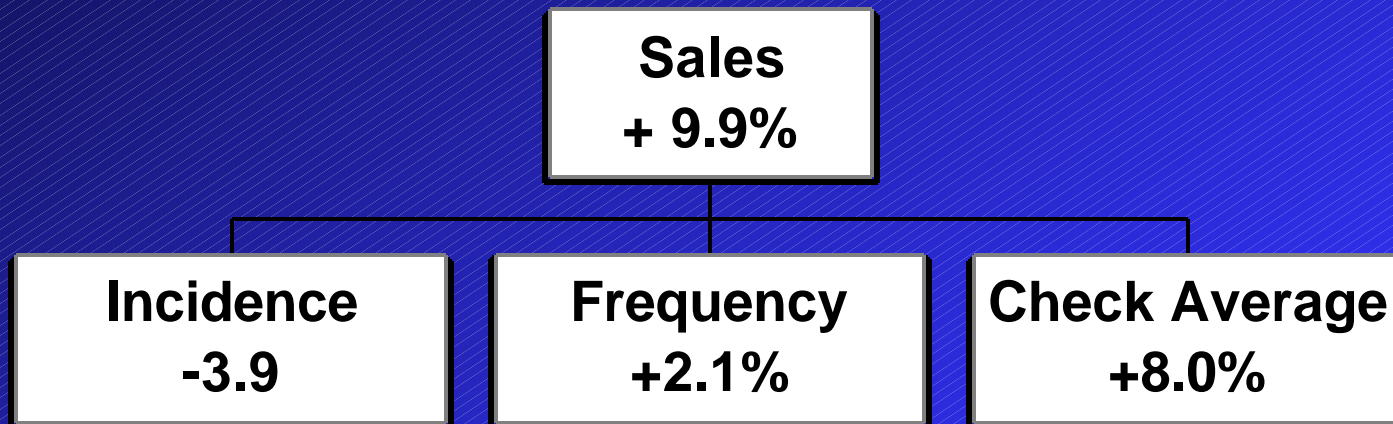
Incidence x **Frequency** x **Check Average**

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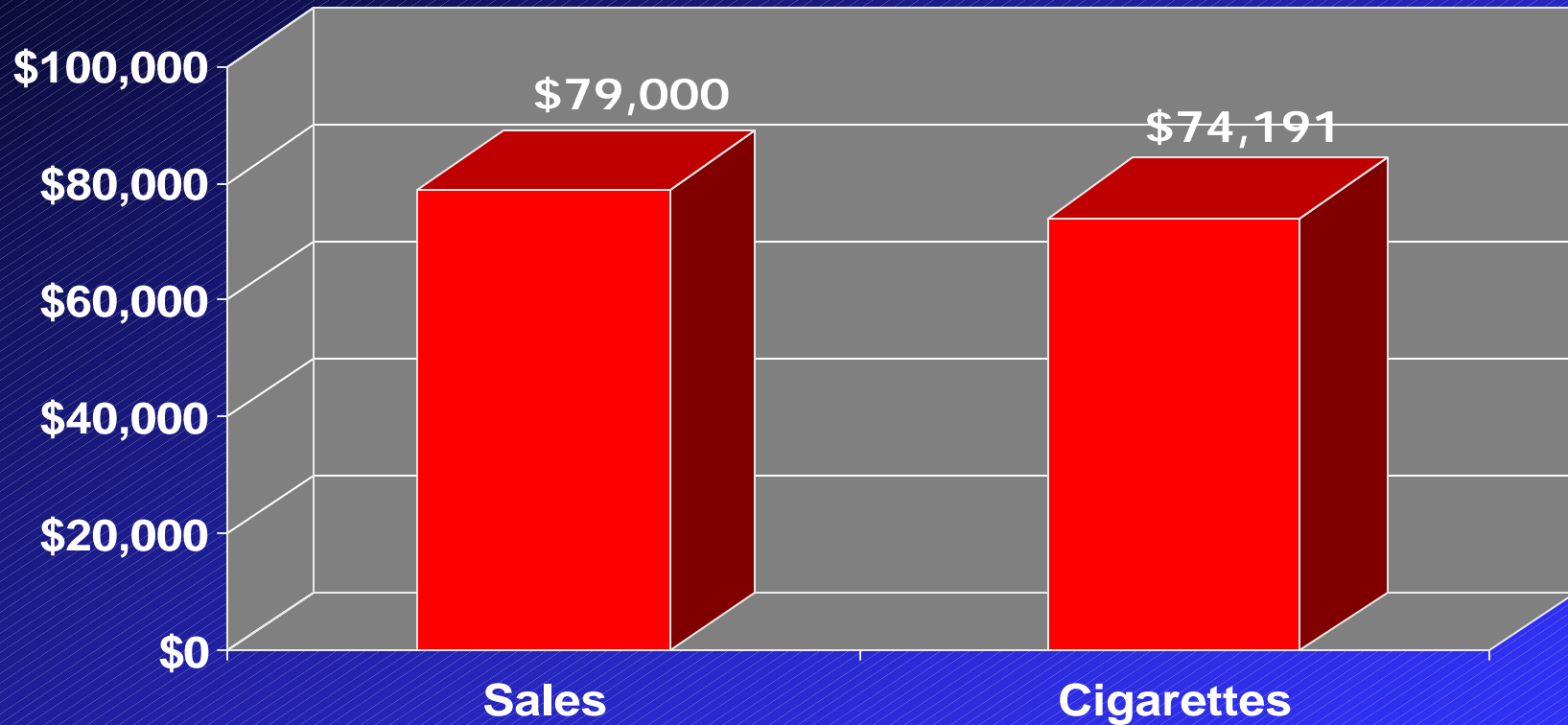
\$\$ Sales \$\$

State of the Consumer

2000 Industry Performance

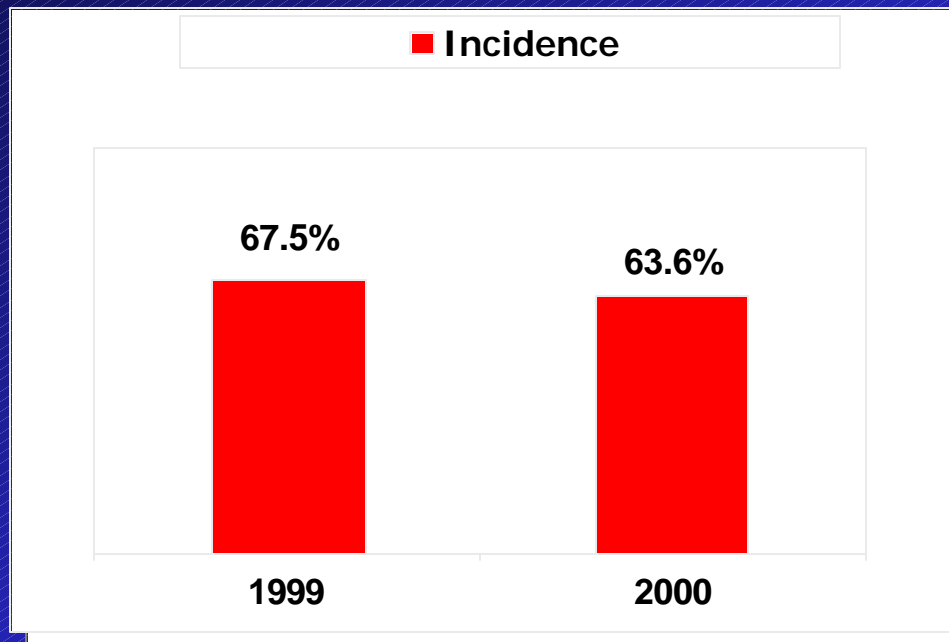


Sales Up



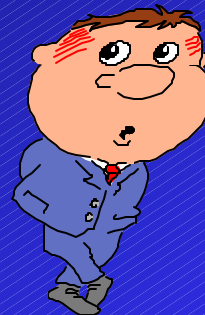
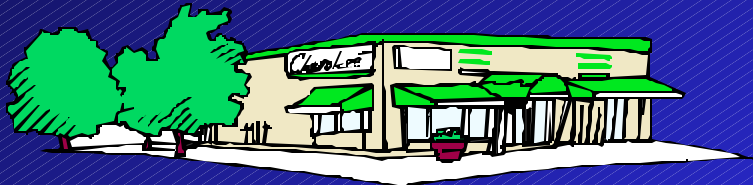
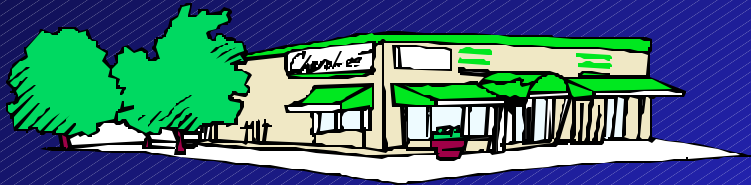
State of the Consumer

2000 Industry Performance



The percentage of the population that shops c-stores declined by roughly four percentage points in 2000.

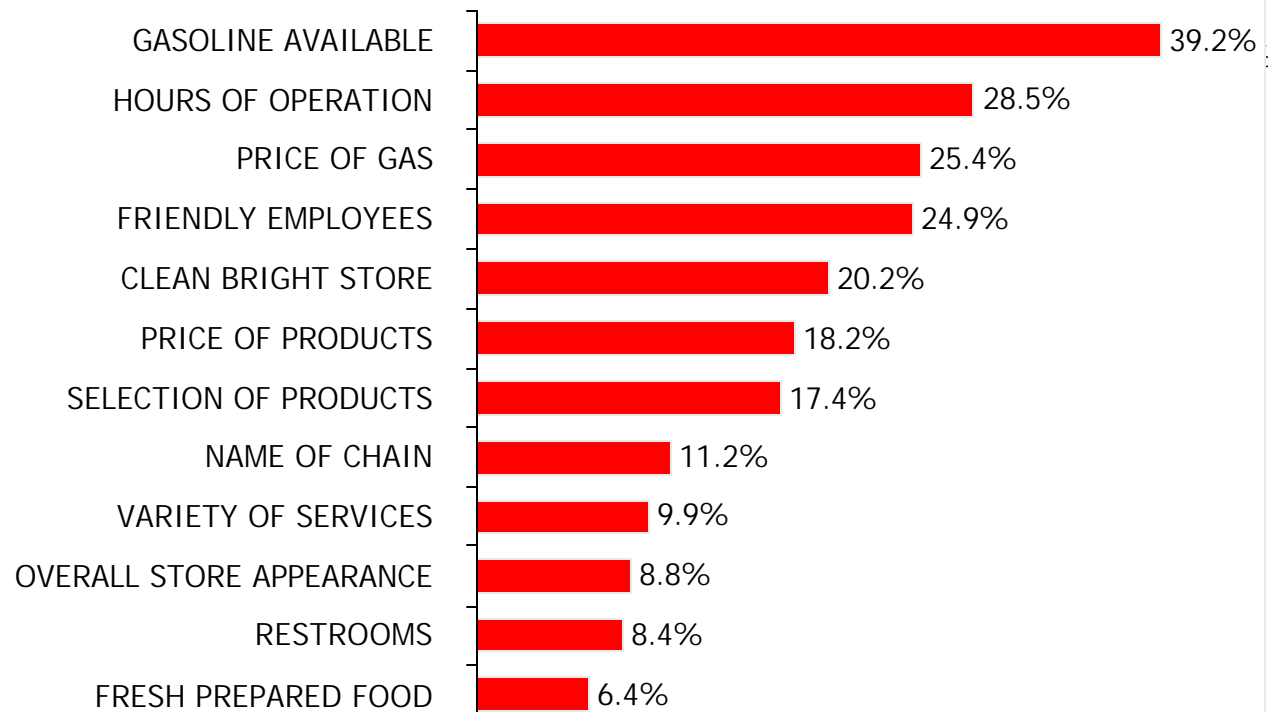
Consideration Set



State of the Consumer

2000 Industry Performance

Reasons for Store Choice

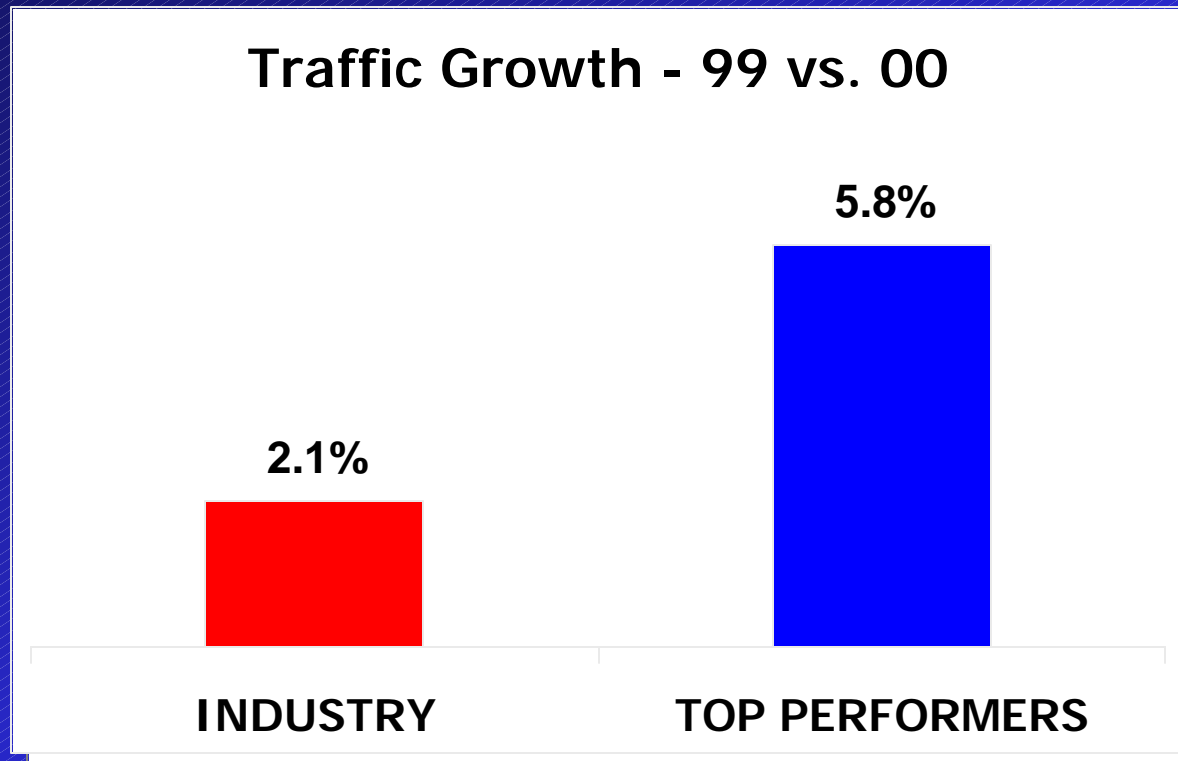


Positioning

- ✍ **Target customers**
(who are you trying to attract)
- ✍ **Need states**
(fuel, foodservice, beverages, etc.)
- ✍ **Consideration set**
(retailers who can fulfill the needs)
- ✍ **Points of differentiation**
(reasons to select one retailer over another)

State of the Consumer

2000 Industry Performance



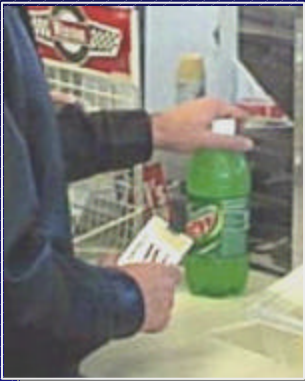
State of the Consumer

2000 Industry Performance

	INDUSTRY	TOP PERFORMERS	POINT DIFFERENCE
\$70000+	20.1	28.5	8.4
WHITE COLLAR	41.5	50.1	8.6
HEAVY SHOPPERS (8-12 VISITS)	16.5	19.9	3.4
SUPER HEAVY SHOPPERS (13+ VISITS)	19.8	25.7	5.9
ALWAYS SHOP AT ONE STORE	51.8	56	4.2

State of the Consumer

Demographics



Men More Likely to buy:

- Gasoline
- Beer
- Coffee



Women More Likely to buy:

- Candy
- Milk
- Chips

State of the Consumer

Category Analysis - Foodservice

- Fresh Prepared Food
- Restrooms
- Overall Store Appearance
- Good Selection of Products
- Clean Bright Store

State of the Consumer

Category Analysis - Cigarettes

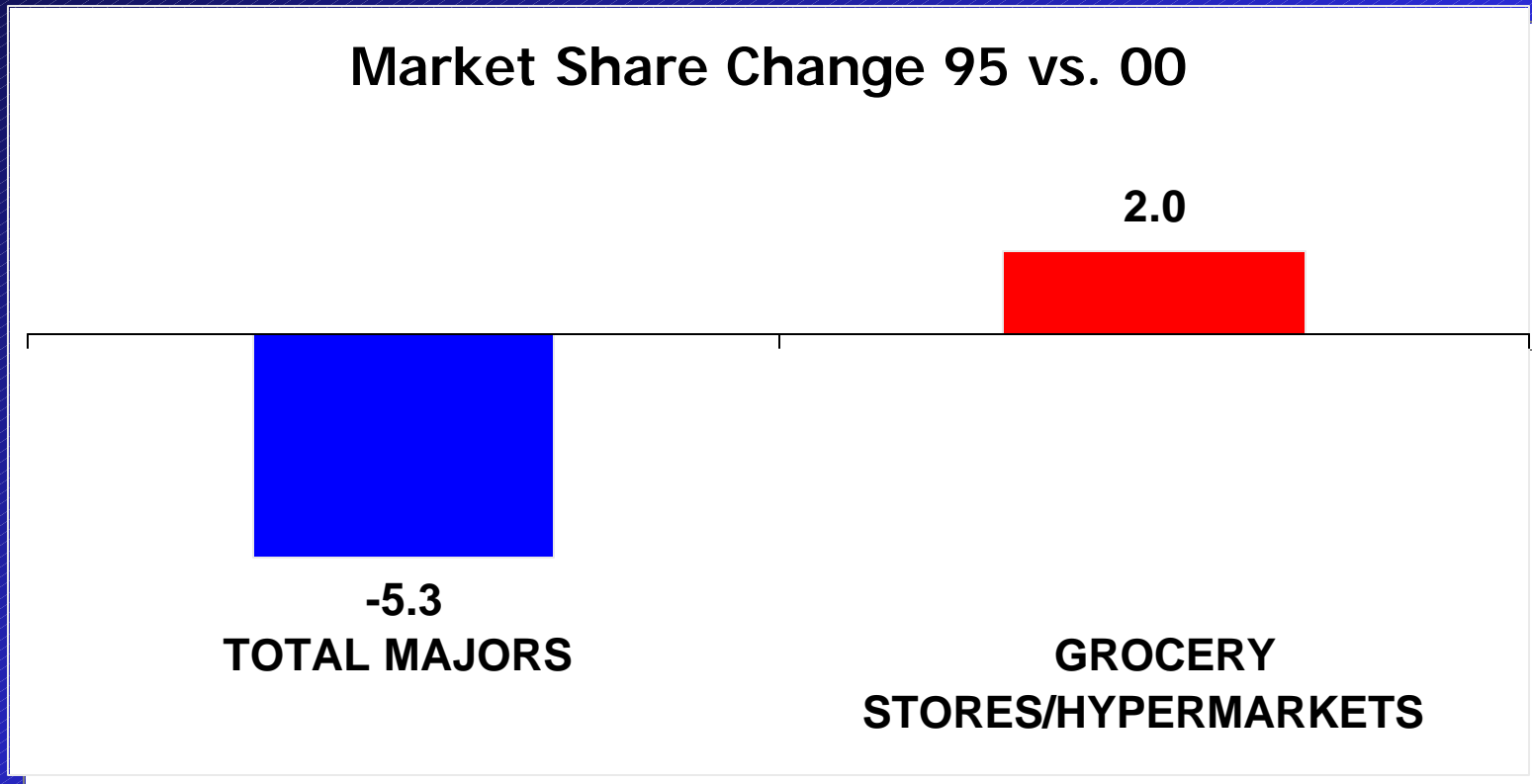
- Price of Products
- Friendly Employees
- Hours of Operation
- Variety of Services
- Good Selection of Products

Keeping Score

- ✈ **How you keep score determines how you play the game**
 - use unit sales (movement)
 - gross margin dollars with all additional funding monies included

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Category Analysis - Gasoline



State of the Consumer

Category Analysis - Gasoline

	Major Brands	Others	Point Difference
Brand Loyalty	35.6	27.9	7.7
% Buying Premium	13.6	7.7	5.9
% Citing Product Performance as a Reason for Purchase	31.2	16.3	14.9
% Citing Brand Preference as a Reason for Purchase	27.5	9.3	18.2

Decade of Decreasing Brand Value?

- ✍ Use of single brand purchases declined
- ✍ % of people citing brand and/or product performance and station reputation declined