

CONVENIENCE 2029

What will the convenience store look like 10 years from now?

Any discussion of the future of convenience stores in the US must begin with the rapidly changing US demographics and especially **Millennials** with their unique wants, needs and perspectives.



Why do Millennials matter so much to the future of convenience stores?

- Millennials represent **41% of convenience store shoppers**¹ in spite of making up only 30% of the population over the age of 18², so they are the drivers of convenience shopping.
- Have **overtaken Baby Boomers** as the **largest living generation**.³
- Largest generation currently in the workplace.⁴
- Millennials **spend the largest budget shares of any generation on ready-to-eat food**, They also spend less money overall on food at home and make fewer trips to the grocery store (but more trips to the convenience store).⁵
- **Most likely** to visit a **convenience store daily**.⁶
- Most likely to **fill up with gas weekly at a convenience store** (which debunks the belief that Millennials drive less than other generations).⁷
- **Wives are more likely to work outside the home** than any other generation, which helps explain the penchant for ready-to-eat food and more frequent visits to convenience stores.⁸
- Most likely to **skip meals and eat snacks** as meals instead.⁹
- **Least likely to smoke** or use other tobacco products.¹⁰
- **60% work out on a regular basis**¹⁰, and **42% say they eat healthy** at least half the time.¹¹
- **Most racially diverse** over the age of 18, so they tend to look for greater varieties of foods and especially ethnic foods.¹²
- Contrary to popular belief, **Millennials aren't shunning the suburbs. 38% of all Millennials live in the suburbs** vs 37% in cities, and **41% of Millennial homeowners live in the suburbs** vs **31% in cities**. In total, **69% of Millennial homeowners live outside of a city**.¹³

CAUTION: HIGHLY ADDICTIVE!

Willy has been serving up his tongue slappin', authentic Mexican Cantina-style salsa for over 40 years. Your taste buds will thank you as they dive into loads of fresh cilantro and bursts of onion and garlic. Keepin' it simple is our motto. Try it once and you'll be hooked!



What do Millennials want from their convenience store shopping experience?

- **Convenience** - what they want must be easily found. If they have to search, they're gone.¹⁴
- **Healthy snack options** - fresh, natural, non-GMO, vegan, gluten-free, paleo, low sugar, low carb, organic, etc.¹⁵
- **Value** - they're willing to pay more, but the extra cost must be justifiable in their minds.¹⁶
- **Total Brand Transparency** - not only ingredients, but where they came from, how they were harvested, environmental impact, etc.¹⁷
- **Food with purpose or mission** - sustainability, community impact, underlying cause (think Tom's shoes).¹⁸

Resources

- ¹⁴ "Weekly Purchase Locations," NACS, retrieved 30JAN19 from https://www.convenience.org/Solutions Business-Intelligence-Data-Analytics /Documents/ CTP_Info.pdf
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- ³ Ibid.
- ⁴ Fry, Richard, "Millennials are the largest generation in the U.S. labor force," Pew Research Center, retrieved 01FEB19 from <http://www.pewresearch.org/fact-tank/2018/04/11/millennials-largest-generation-us-labor-force/>
- ⁵ Kuhns, AnneMarie and Michelle Saksena, "Millennials Devote Larger Shares of Their Grocery Spending to Prepared Foods, Pasta, and Sugar and Sweets Than Other Generations," USDA, 29DEC17.
- ⁶ Regan, Chelsea, "What Millennials Want From Their C-store Shopping Experiences," Convenience Store News, retrieved 03FEB19 from <https://csnews.com/whatmillennialswant-their-c-store-shopping-experiences>.
- ⁷ Ibid.
- ⁸ Fry, Richard, "Young adult households are earning more than most older Americans did at the same age," Pew Research, retrieved 03FEB19 from <http://www.pewresearch.org/fact-tank/2018/12/11/young-adult-households-are-earning-more-than-most-older-americans-did-at-the-same-age/>
- ⁹ Lacsamana, Pauline, "92 Percent of Millennials Replace Meals With Snacks at Least Once a Week, According to Survey," The Daily Meal, retrieved 03FEB19 from <https://www.thedailymeal.com/news/healthy-eating/92-percent-millennials-replace-meals-snacks-at-least-once-week-according-survey/030817>
- ¹⁰ "What is a Millennial? Statistics, Demographics, Tips on how to Market to Them," Mediakix, retrieved 3FEB19 from <http://mediakix.com/2018/04/what-is-a-millennial-demographics-statistics/#gs.2MpAwOlh>
- ¹¹ Dworski, Brett, "Snacks for the Ages," CSP Magazine, retrieved 02FEB19 from <https://www.cspdailynews.com/snacks-candy/snacks-ages>
- ¹² Frey, William, "The Millennial Generation: A demographic bridge to America's diverse future," Metropolitan Policy Program at Brookings, JAN18.
- ¹³ Leonhardt, Megan, "More millennials now live in suburbs than in cities," CNBC, retrieved 02FEB19 from <https://webcache.googleusercontent.com/search?q=-cache:U6PUS1SHU4J:https://www.cnbc.com/2018/11/20/more-millennials-live-in-the-suburbs-than-in-cities.html+&cd=1&hl=en&ct=clnk&gl=us>
- ¹⁴ Rajgopal, Raj, "Deliver What Millennials Really Want: Convenience," CMS Wire, retrieved 01FEB19 from <https://www.cmswire.com/customer-experience/deliver-what-millennial-customers-really-want-convenience/>
- ¹⁵ Smith, Kat, "Millennial Shoppers are turning Convenience Stores into Vegan Wellness Markets," LiveKindly.com, retrieved 02FEB19 from <https://www.livekindly.co/-millennial-shoppers-convenience-stores-vegan-wellness-markets/>
- ¹⁶ Dworski, Brett, "Snacks for the Ages," CSP Magazine, retrieved 02FEB19 from <https://www.cspdailynews.com/snacks-candy/snacks-ages>
- ¹⁷ Kline, Kenny, "Here's How Important Brand Transparency Is for Your Business," Inc Magazine, retrieved 03FEB19 from <https://www.inc.com/kenny-kline/new-study-reveals-just-how-important-brand-transparency-really-is.html>
- ¹⁸ "Driving Long-Term Trust and Loyalty Through Transparency," LABELINSIGHT, retrieved 03FEB19 from https://www.labelinsight.com/hubfs/2016_Transparency_ROI_Study_Label_Insight.pdf