



Top 5 Customer Experience Trends for Convenience Stores

Insights into delivering a delightful
customer experience

Introduction

Delivering a delightful customer experience is #1 on every convenience store marketer's list of priorities. That's because a customer experience can make or break a customer's relationship with your brand.

And today, the customer experience encompasses so much more than just their interaction with your brand at the pump and in the store. It's also every digital engagement, from using mobile apps to locate your gas station to reading online customer reviews about the quality of your prepared food and interacting with your brand over social media channels.

Prepared food purchases have become one of the key profit drivers for convenience stores. Customers now have a wide array of choices to spend their dollars as other channels step into the traditional convenience store space. In this competitive market, convenience stores need to ask these questions:

- What does it take to become a customer's go-to convenience store of choice?
- How can you attract new customers and keep them coming back for more?
- Is there an effective way to build 1:1 relationships that cultivate loyalty and brand advocacy?

The answer comes down to delivering a delightful end-to-end customer experience that meets, and even exceeds, your customers' expectations.

This whitepaper will help you understand what a winning "customer experience" means in the dynamic convenience store (also referred to as c-store) marketplace and how to achieve it.

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Omnichannel Marketing is Key To Driving Sales

Today consumers can engage with their favorite brands literally anytime, whether they're at the pump, making a purchase in the store, checking their email, or redeeming a coupon with their mobile app.

Convenience store brands, for all intents and purposes, are omnipresent.

So, as an omnichannel marketer soon to head into the next decade, you need to meet your customers where they are, in-person and online, with more consistent and personalized brand experiences across-the-board, at every single touchpoint.



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To increase traffic and build customer loyalty, start with a firm understanding of your customers, their preferences and what drives their behavior. With these insights, you can establish a brand presence across key marketing channels so you don't miss out on any opportunities to connect with both loyal and new customers.

Omnichannel shoppers have a

30% higher lifetime value than those who shop using only one channel. (Google)

87% of brands agree that an omnichannel marketing strategy is critical or very important to their success.

(ResearchLive)

Data Driven Customer Experience Initiatives

Data is imperative for c-stores to not only understand the wants and needs of your current and prospective customers, but it can help you tailor and personalize the experiences that ultimately set your brand apart. What kind of data are we talking about?



Location Data



Transaction Data



Demographic Data



Payment Data



Marketing Campaign Data



Social Media Data



Customer Feedback Data



And more!

With the right customer data management and analytics tools, c-store marketers can fit data together to create individual customer profiles that “tell” the marketer how and when to engage customers with offers and experiences that are likely to impact their perception of the brand, drive sales, and maximize each customer’s lifetime value.

What’s more, when “basic” customer demographic and transactional data can be supplemented with predictive analytics, you’re able to extrapolate likely next steps and serve up highly targeted offers—using technology to help reduce churn and mitigate risks.

The bottom line: technology is enabling c-stores to actually drive desired relationship-to-revenue behaviors related to frequency, purchase amounts and even brand advocacy—behaviors that can significantly impact business results.

81% of companies say customer experience is a competitive differentiator—and most organizations say becoming more data-driven is the key to tackling the challenges associated with delivering a quality customer experience.

(Dimension Data, Forrester)

Data-driven organizations are **23x** more likely to acquire customers, 6 times as likely to retain customers, and 19 times as likely to be profitable as a result. (McKinsey)

Convenience Stores Need to Cater to More than One Customer Journey

Every customer takes a different path to your store. And depending on their awareness and perception of your brand, you have varying degrees of influence over what steps they take to get there.

The first hurdle is getting them to notice your store and the next is getting them into the store. But your job doesn't end there—not anymore. Now you need to cultivate a relationship that earns their loyalty.

Because customers today are engaging with brands across multiple channels, it's important for c-store marketers to note that customer acquisition and loyalty programs need to accommodate more than one customer journey, such as:



A new customer's journey from brand awareness to making their first purchase



An existing customer's journey from purchasing infrequently to engaging with more frequency



An engaged customer's journey to brand loyalist

It's not that customers' paths to purchase are becoming more complex, it's that the data we can capture and analyze is able to paint a more comprehensive picture of their journey. And if we have the tools to execute on those insights, to power a "lifetime of loyalty" experience for customers, we've truly taken the very concept of customer loyalty to the next dimension.

79% of consumers said brands have to actually demonstrate that they understand and care about them before they are going to consider purchasing. (Wunderman)

While a typical U.S. household is enrolled in **19 to 29** different loyalty programs, it only actively uses five to 12 of them. (Nasdaq)

Highly Personalized Marketing Offers



Personalization has a direct correlation to incremental revenue and increased conversion rate. (McKinsey)

The way to impact customer behavior today is through the delivery of timely, relevant, and even surprising offers that speak directly to the individual consumer—offers that aren't static, but dynamic and highly personalized.

Instead of sending a generic \$1 off coupon, consider the impact of saying something like, "John, we know you like to start your weekday mornings with coffee and a breakfast sandwich, so why not treat yourself to an afternoon pick-me-up?"

This level of familiarity and reward makes a brand stand out—and it raises the bar for the customer's other brand experiences. It's service that goes above and beyond, and because it's so highly relevant, it doesn't necessarily feel intrusive.



Demographics



Psychographics



**In-Store
Behavior**



**Online
Behavior**



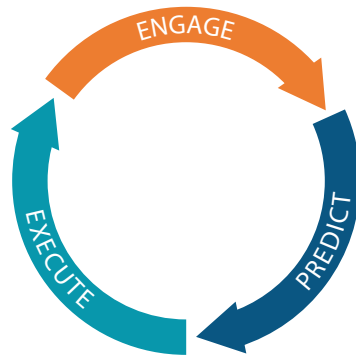
**Interaction
at the Pump**

In order to create a truly personalized consumer experience, your acquisition and loyalty program campaigns should be personalized based on a complete customer profile which includes demographic, psychographic, and in-store and online behavior. Combined with analytics that provide insights at the program, customer, and store level, artificial intelligence/machine learning technologies can also be used to predict consumer behavior—including customer affinities, churn rates, and sentiments. Based on these characteristics, customer segments of all different types can be designed and targeted with specific campaigns to drive desired behaviors.

92% of marketing professions see personalization as a "crucial" element of the customer experience, yet 51% say that their organization cannot deliver the personalization its customers crave. (Verndale)

Convenience Stores Need to Use One Digital Platform For Customer Acquisition, Loyalty, and Marketing

C-stores have had to evolve along with rapidly changing consumer preferences and expectations to meet their demand for delightful and omnichannel experiences. Many people today use mobile apps to locate your gas station or scan a digital coupon at the POS. A majority of customers who purchase gas, pay at the pump and do not make a trip to the store. According to the National Association of Convenience stores, c-stores now see one less trip per customer per week than five years ago. That's why c-stores need to leverage marketing technology designed to make it easy for their internal teams to:



- ✓ Engage customers across any channel
- ✓ Predict customer behavior
- ✓ Execute tailored offers to customers to build loyalty and increase customer lifetime value

Convenience stores need to be able to rely on platforms that provide all the tools they need to identify customers, collect purchase and engagement data, predict future behaviors, and automate the process of generating and sending offers. There are a lot of moving pieces at play, from CRM to analytics to marketing automation. But there's also machine learning and artificial intelligence—and these advanced technologies are set to explode in the months and years to come.

The Punchh customer platform converts customers from unknown and anonymous to loyalists by providing you with the tools you need to deliver a personalized, seamless customer experience. To see a demo, email us at Contact@Punchh.com.

Marketers worldwide say their primary challenge in executing a data-driven customer experience strategy is a fragmented system to deliver a unified view of the customer experience across touchpoints **(38%)**, followed by silos of customer data that remain inaccessible across the entire organization **(30%)**.

(CMO Council)



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About Punchh

Headquartered in San Mateo, CA, Punchh is the world leader in innovative digital marketing products for brick and mortar retailers, combining AI and machine learning technologies, mobile-first expertise, and omnichannel communications designed to dramatically increase lifetime customer value. Leading global chains in the restaurant, convenience store, and retail sectors rely on Punchh to grow revenue by building customer relationships at every stage, from anonymous to loyalists.