

FAST FACT



The rise in employees working at home and more shopping online, which cuts down on foodservice meal and snack breaks, have been contributors to the softening of lunch traffic.

Source: The NPD Group (page 62)

QUOTABLES



“Thinking about some of the initiatives other channels have and implementing them into convenience retailers is certainly not a far stretch. I think we can have an ethnic assortment and ethnic banners for certain convenience retailers, no question.”

— Chelsea Gross, RetailNet Group LLC (page 26)

Amazon Prepares to Enter Convenience Channel

C-store retailers have mixed reactions to the online giant’s plans for small stores

Amazon.com Inc. is moving into the brick-and-mortar world with plans to open convenience stores and curbside pickup locations.

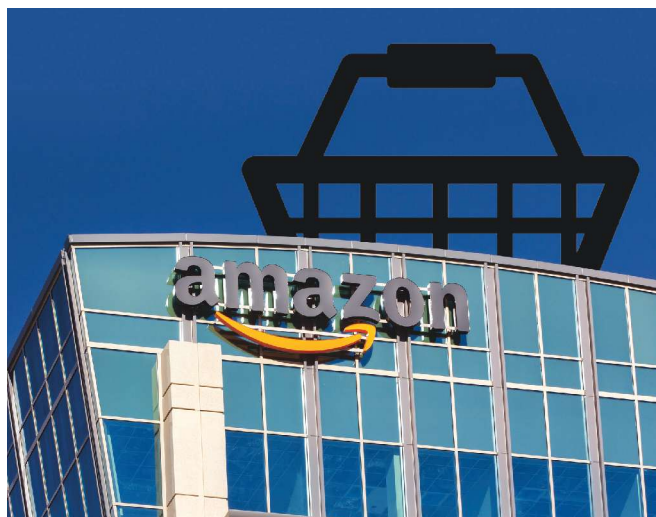
The small stores would offer produce, meats, milk and other perishable items. Customers could also order items with longer shelf lives, such as peanut butter and cereal, for same-day delivery.

The Seattle-based retailer also plans to introduce designated drive-in locations where online grocery orders will be brought directly to a customer’s car. Amazon is developing technology that reads license plates in order to speed up this process.

While traversing the halls of the Georgia World Congress Center on the opening day of the 2016 NACS Show, *Convenience Store News* editors polled retailers for their thoughts on Amazon’s plans. A majority of the retailers are curious to see what unfolds.

“It’s the wave of the future. Anything you pick up online, you talk about Amazon. It’s big. It just depends on how we react to it and what benefits there could be. There’s always opportunity,” said AJ Gambino of Coastal Area Stores Inc. dba Clyde’s Market in Glennville, Ga.

Others acknowledge Amazon could be a serious c-store industry threat.



“Amazon is a challenge for everybody because people can sit at their home with their feet up and order whatever they want. It’s a challenge and we have to find our inroads to beating them; to make it convenient for the convenience store at your home,” said David Lewis of the Marine Corps Exchange dba U.S. Marine Corps in Camp Pendleton, Calif.

Still, there are those who are not as concerned.

“I don’t see it as a big threat. We do some stuff with Amazon Lockers at some of [our] sites, and it’s a draw. You see where you can take advantage of it in most cases. I’m not sure what their format will be. You always have competition coming into the marketplace and you find ways to either take advantage of it or piggyback on it,” weighed in Ron Reger of Kaykel Fueling Convenience in Corona, Calif.