



SuperBest mobil

# Aldrig lukket og altid lige ved hånden

SuperBest mobil har alt lige fra toiletteppe, hundemad og vaskpulver til spegepølse, masser af økologi, mælk og altid et stort udvalg af frisk frugt og grønt. Akkurat som du kender det fra vores butikker.

SuperBest mobil har aldrig lukket og er altid lige ved hånden, så du kan købe ind, når det passer dig. Uanset om du handler til hele ugen eller til en lækker middag i weekenden. Vi pakker varen med omhu og leverer dem direkte hjem til dig.

SuperBest mobil har over 4.000 varer på hylderne, masser af opskrifter og inspiration til hverdagens måltider, du finder også en indkøbsliste, ugens tilbudsavis og vej til de nærmeste SuperBest butikker.

Alt sammen for at gøre din hverdag let og enkel, så du får lidt mere tid til alt det andet.

SuperBest.dk



SuperBest.dk



## Convenience store 2020 Centre of the local ecosystem

*The growth opportunity in establishing a hub  
– protecting the investment into physical locations*

# ResearchFARM



### INCLUDED:

Access to our online database  
with 500+ pictures

November 2012

# CONVENIENCE 2012: CENTRE OF THE LOCAL ECOSYSTEM

---

We have identified 5 issues that will be crucial to the convenience store format in 2020. Today's convenience store retailers should start to...

- establish an ecosystem around the store,
- become completely catchment-centric (shopper and location),
- integrate their offer by maximising the private label opportunity,
- leverage the c-store in the supply chain and
- update the food service offers

...to remain relevant in the future.

## Businesses covered include:

Ahold, Amazon, Apple, Asda, Boots, Budgens, Carrefour, Casino, Circle K, Coop Suisse, collect+, Coop Deutschland, Coop UK, Costa, Delhaize, DHL, dm, Duanne Reade, Edeka, E.Leclerc, FamilyMart, Febo, Franprix, Hubiz, Kiala, Lawson, Lidl, Migros, Monoprix, Morrison, Rewe, Rossmann, Sourced Market, Spar, Starbucks, SuperBest, Tesco, Waitrose, 7-Eleven

The report provides global best practice examples from the EU, US, Hong Kong and Japan and features exclusive access to our convenience store picture library.



## This report will allow you...



- demonstrate how to protect the investment into bricks and mortar by using the convenience store as an ecosystem centre



- tell you what convenience shoppers are looking for in future



- help you to mitigate risk, minimise nasty surprises and shocks



- show you where the growth spots are and how to exploit them



- highlight innovative ideas that should not be missed and those that probably won't work too well



- help you to learn from the mistakes of others - what missteps to avoid and what successes to copy

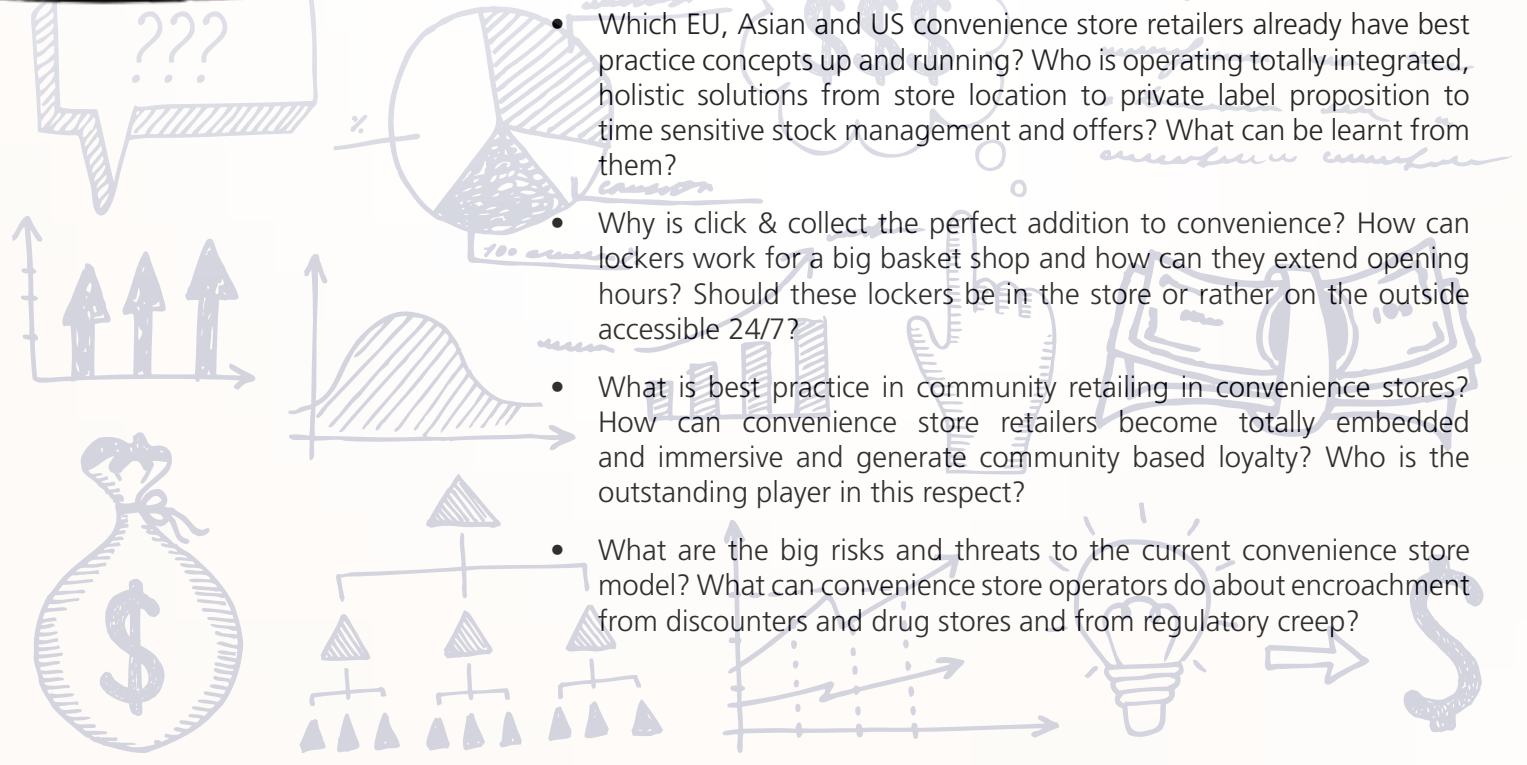


- explain current best practise to benchmark your own performance against the best in the business



## KEY QUESTIONS ANSWERED

- Among the various convenience types, which is the fastest growing convenience location? Petrol stations? Neighbourhood stores or travel hubs? And what is the reason for this rapid growth? Moreover, will it continue? What are the risks?
- What do Japanese convenience operators do really well? What can all others learn from their innovations? Which risks have they mitigated that will affect the rest of the world over years to come?
- Which is more important for a convenience store operator? Catchment centrality? Shopper centrality? Or location centrality?
- What are the low hanging fruit in terms of supply chain optimisation around convenience stores? Especially in terms of multichannel integration? What about travel hub locations? What will happen over the next 5 years - especially at the multichannel, multi-format retail giants? How can they utilise the convenience store as part of their customer centric supply chain?
- Where will convenience concepts go over the next 5 years? What trend crossovers can we expect from self check outs? Will shopping become even more automated and if so how?
- Is food service always the best option to generate growth for convenience operators? What are the drawbacks? Should convenience stores become cafes as well? Is fast casual the way forward?
- What effect have gas price rises on the different convenience store locations? Which location benefits, which does worst? And what can be done about this?
- How can convenience store operators establish an ecosystem and walled garden around their stores?
- Which EU, Asian and US convenience store retailers already have best practice concepts up and running? Who is operating totally integrated, holistic solutions from store location to private label proposition to time sensitive stock management and offers? What can be learnt from them?
- Why is click & collect the perfect addition to convenience? How can lockers work for a big basket shop and how can they extend opening hours? Should these lockers be in the store or rather on the outside accessible 24/7?
- What is best practice in community retailing in convenience stores? How can convenience store retailers become totally embedded and immersive and generate community based loyalty? Who is the outstanding player in this respect?
- What are the big risks and threats to the current convenience store model? What can convenience store operators do about encroachment from discounters and drug stores and from regulatory creep?



# TABLE OF CONTENTS (1/5)

<b>Executive summary</b>	<b>p14</b>
<b>Context – Definitions, Sizes in 2012</b>	<b>p22</b>
Definition: Convenience store of the future	p23
Convenience stores: 6 background drivers , category management	p24
Convenience stores: EU 27, 2011, store numbers data per country	p25
Convenience stores: about the sizes and definitions I	p26
Grocery sizes: EU 27, 2007-2011 in '000 €bn	p27
Grocery sizes: shoppers cut back, shop around, trade down and go to hard discounters	p28
Grocery sizes: EU 27, 2007-2011 growth in %, CAGR	p29
Convenience stores: EU 27, 2011, sales per country, % of total grocery, sales per store	p30
Convenience stores: about the sizes and definitions II	p31
<b>Creating an ecosystem around the convenience store</b>	<b>p33</b>
Convenience stores: stores as ecosystems, heart of infrastructure, sharing footfall	p34
Convenience stores: multichannel hubs, from pulling in click & collect to pushing out QR	p35
The model: stores as ecosystems and multichannel hubs	p36
The other meaning of ecosystem: taking a leaf out of Apple's and Amazon's book	p37
The other meaning of ecosystem: creating a walled garden around convenience	p38
<b>Click &amp; collect: the footfall driver</b>	<b>p39</b>
Click & collect: Waitrose's locker system plans, 24hr access	p40
Click & collect: Waitrose splitting the mundane from the aspirational shop	p41
Click & collect: Asda trialling drives, Tesco's dark store development	p42
Click & collect: Tesco pushing out grocery click & collect	p43
Click & collect: collect+ facilitating partnerships between retailers and convenience stores	p44



# TABLE OF CONTENTS (2/5)

Case example: Amazon's lockers, the co-op cooperation	p45
Consumers: every second online shoppers wants click & collect, 4 key drivers	p46
Click & collect: determining store location, cost benefit, plan trip around click & collect	p47
Click & collect: upselling, smartphones, click & collect for convenience grocery	p48
Future of convenience: Carrefour's Mon Panier, convenience click & collect and apps	p49
Future of convenience: e-convenience	p50

## **Extended aisle: QR code walls and Augmented Reality** **p51**

Extended aisle: from pulling in footfall to pushing it on to the net	p52
Extended aisle: Tesco, John Lewis convenience	p53
Extended aisle: Delhaize, Superbest, Coop Zürich convenience	p54
Extended aisle: Budnikowsky	p55
Actionable recommendations: QR code walls	p56
Actionable recommendations: Marketing mix, call to action, from QR to AR	p57
AR: No regulations yet, targeting venues, ultimate show rooming, governance issue in storep	p58
QR code walls: Recommendations	p59

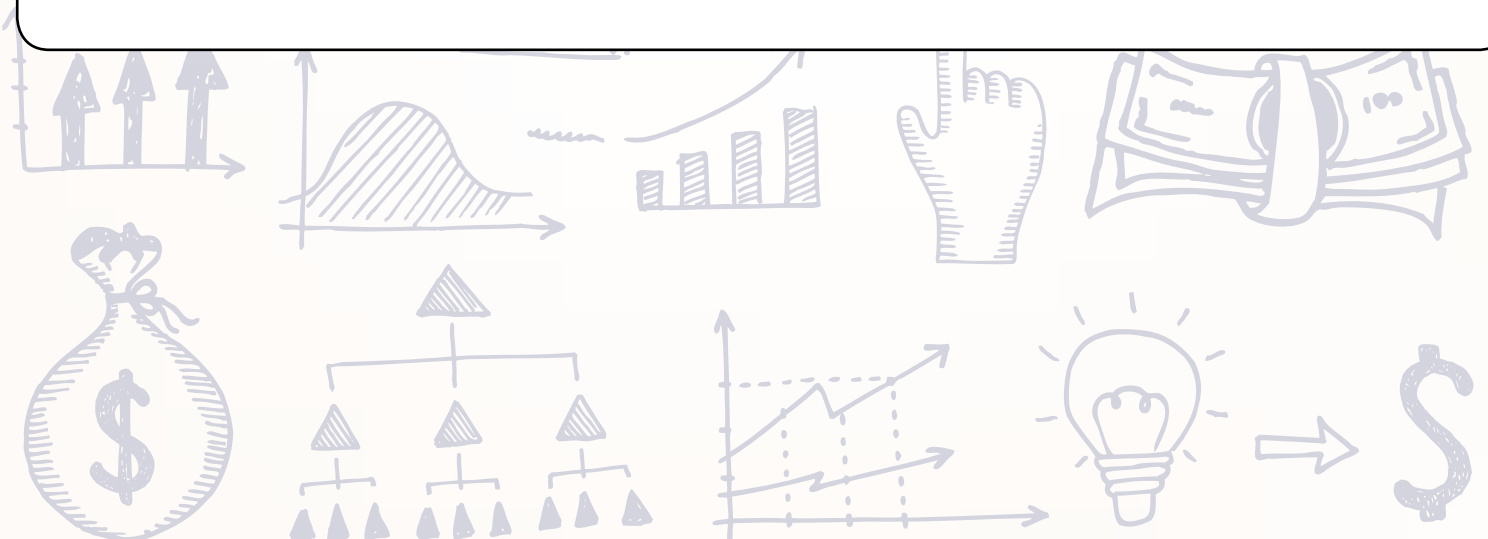
## **Catchment centrality: Localising Convenience** **p60**

Localising convenience: know your customer	p61
Localising convenience: Tailoring to particular demographics, Casino, 7-Eleven, Co-op	p62
Localising convenience: Adapting offer to local market and shopper, Casino, Carrefour	p63
Localising convenience: Adapting for an older generation – the case of Japan	p64
Localising convenience: Adapting for an older generation – 7-Eleven & Toyota collaboration	p65
Localising convenience: Adapting for an older generation – FamilyMart	p66
Localising convenience: Duane Reade - Reinventing the traditional US drugstore ...	p67



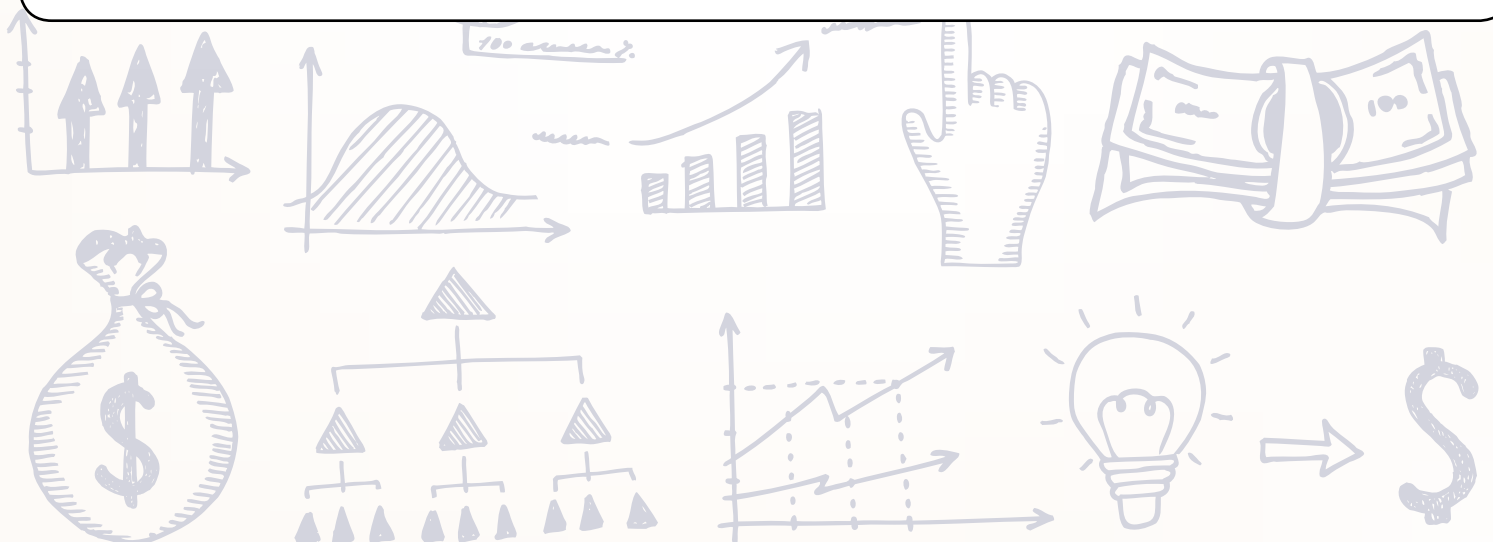
# TABLE OF CONTENTS (3/5)

Localising convenience: Duane Reade - ... for a modern consumer city	p68
Actionable recommendations: Focus on people and place	p69
<b>Catchment centrality: Travel hubs – the fastest growing convenience location</b>	<b>p70</b>
Travel hubs: A lucrative location for convenience stores	p71
Background drivers: guaranteed and high quality footfall, at least twice a day	p72
Background drivers: higher standards, logistics advantage, easier to open small outlets	p73
Travel hubs case examples: Sourced Market, London St. Pancras	p74
Travel hubs case examples: Sourced Market, London St. Pancras, 10k customer per week	p75
Travel hubs case examples: Hubiz, Paris, swivelling a time sensitive proposition	p76
Travel hubs case examples: Hubiz Paris, stock rotation	p77
Travel hubs: Casino and Monoprix bringing everyday convenience to train stations	p78
Travel hubs: Monop' station, offering laundry services	p79
Actionable recommendations: Travel hub convenience 1/2	p80
Actionable recommendations: Travel hub convenience 2/2	p81
<b>Joined up thinking: Private Label &amp; Convenience</b>	<b>p82</b>
Convenience: integration of location, format and private label range	p83
Migros & Migrolino: dedicated convenience private label line, numbered SKUs	p84
Convenience: shopping as fast and easy as possible, Morrisons' foodie credentials	p85
Duanne Reade: PL relaunch shifting perception from drugstore to convenience	p86
Ahold: the comprehensive solution, AH Express line, ranges tailored to time of day	p89
Ahold: AH to go - expansion into Germany, support from across the border	p90
Ahold: AH to go - the start of an European wide expansion strategy	p91
Actionable recommendations: convenience private label strategy	p92
<b>Community &amp; the environment: Thornton's Budgens</b>	<b>p93</b>
Thornton's Budgens: driving down carbon footprint, Box of hope, community sourcing	p94



# TABLE OF CONTENTS (4/5)

Thornton's Budgens: local sourcing, supply partnerships, beating the competition	p95
Thornton's Budgens: in store chef, charity links, food from the sky	p96
<b>Private label strategy &amp; local issue</b>	<b>p97</b>
Local and regional: the drivers, perfect opportunity for private label	p98
Local and regional: traceability and QR codes, engaging shoppers	p99
Carrefour: Reflets de France, halo effect for Carrefour's private label, key loyalty driver	p100
Local and regional: Casino, E.Leclerc, Edeka, Coop eG	p101
Local and regional: visual merchandising crucial for on shelf visibility	p102
Vertical integration: Zara-ing grocery, secure supply, margin and supply chain control	p103
Vertical integration: threat from FMCG forward integration, lean supply chains	p104
Actionable recommendations: vertical integration and regional lines	p105
<b>Integrating the C store into the supply chain: fulfillment opportunities</b>	<b>p106</b>
Supply chain integration: Morrisons, Casino and Cdiscount	p107
Supply chain integration: using the physical c-location as a hub to drive down costs	p108
Innovative delivery systems in urban areas: Casino Group's river delivery system in Paris	p109
Innovative delivery systems in urban areas: Casino's sustainable logistics	p110
Innovative delivery systems in urban areas: Franprix's reduced CO2 footprint	p111
<b>The food service opportunity</b>	<b>p112</b>
Food service: moving towards coffee shops, difficult proposition	p113
Convenience stores: Capitalising on the third place opportunity	p114
Convenience stores: Congenial environments, fast casual dining	p115
Chez Jean: Casino & Relay cooperation, Daily Monop innovative space saving solutions	p116
Circle K: attract target customers and make them regulars	p117





# TABLE OF CONTENTS (5/5)

Food service: Rewe to go, difficult German market, bakeries and petrol station saturation	p118
Actionable recommendations: food service and third space	p119
<b>Threats to the model:</b>	<b>p120</b>
Threats to the model: the 3 different effects of rising gas prices	p121
Threats to the model: changing car usage and travel patterns	p122
Threats to the model: hard discounters & drugstores, Boots, Duanne Reade, dm, Rossmann	p123
Threats to the model: regulations and health legislation, the tobacco impact	p124
<b>The threat: Hard discounters, Lidl's new fascia</b>	<b>p125</b>
Lidl: revamping the store format towards a convenience fascia, focus on fresh and food	p126
Lidl: low branded SKU count, the cash desk innovation	p127
Lidl: drawbacks of the new model, analysis, cost drivers, space considerations	p128
Lidl: private label segmentation and vertical integration as key strategic objective	p129
Lidl: vertical integration achieved in soft drinks, WIP in confectionery, the PET system	p130
<b>Future of convenience: Beyond the realms of the traditional store</b>	<b>p131</b>
Convenience store of the future: mobility, vending and e-convenience	p132
Future of convenience: Mobile c-stores, Japan's convenience-on-wheels concept	p133
Future of convenience: Benefits of convenience store on wheels concept	p134
Future of convenience: The rise of the vending machines, Costa Express, Febo	p135
<b>Sources</b>	<b>p137</b>

**The Retail Bulletin:**  
The Complete Retail News Resource

Claim your 15% discount to a Retail Bulletin conference of your choice by quoting "ResearchFarm" when you book your place.

[www.theretailbulletin.com](http://www.theretailbulletin.com)

- Multichannel Retailing Summit 6<sup>th</sup> February 2013
- International Expansion Summit 26<sup>th</sup> March 2103
- InStore Engagement Conference 7<sup>th</sup> May 2013
- Customer Loyalty Conference 12<sup>th</sup> June 2013

- Payments Summit 19<sup>th</sup> June 2013
- Loss Prevention Summit 10<sup>th</sup> September 2013
- Mobile Retailing Summit 24<sup>th</sup> September 2013
- Retail HR Summit 8<sup>th</sup> October 2013

# TESTIMONIALS AND CLIENTS

« Our management team was very very satisfied with your reports. Your case studies really helped us. We are revamping our stores and have implemented a new way of thinking within the organisation and your piece of research helped us to understand how others are doing and how to apply it to our business.» (Retailer)

« The case studies helped us to think outside the box and we liked the fact that ResearchFarm is focussed on innovations and the future » (Financial services company)

« The report was very topical and very useful in explaining the technologies, players and issues and provided excellent case studies.» (Retail services provider)

« Very powerful piece of research. We often buy reports from other sources which are full of description and charts and very often with out to date info and things we already know. But yours are very compact and with current examples, recommendations on what we should do and what we should not do. Examples that we can directly apply to our business.» (Department store)

«Your publications have been extremely useful so far especially because you are giving real life examples. those are really helpful so we can benchmark ourselves against others and see what works and what does not.» (Retailer)

« I found it very insightful. [...] Impressed with the amount of information that has been covered by your report.» (Retail merchandising company)

«I found the document easy to read, well laid out and the content thought-provoking. It reminds me of the major considerations that affect our markets, and to address these key issues when approaching the global brands and retailers. This report is a very good demonstration of the quality of how ResearchFarm operates and communicates.» (Technology supplier)

«The content is very interesting to us, as we look after many of the largest shopping centres and we also represent many international retailers entering our market. There is plenty of food for thought.» (Property consultants)

«It was helpful. It helped me to persuade my boss to take on a project about e-commerce research. I was really surprised by the importance of legal issues. I never read that elsewhere before.» (Government)

«On DLF's (Danish Association of Fast Moving Consumer Goods Manufacturers) New Years Conference on the 20th of January 2011 we had the great pleasure to hear ResearchFarm speak about future trends in online grocery retailing. The feed back from the conference participants was very positive as they gave ResearchFarm's presentation the highest score of all speakers, finding the analysis about the key success factors of chosen EU and US online retailers both very interesting and inspiring. We can therefore give ResearchFarm our best recommendation.»

Dagligvareleverandørerne – Danish Association of Fast Moving Consumer Goods Manufacturers



## Convenience stores: Stores as ecosystems, heart of infrastructure, sharing footfall

The phenomenon of ecosystems is important in two different ways. In nature, in the great oceans, masses of water see very little activity and life, apart from the occasional fish swimming through. Then in other parts such as the space on and around a coral reef, exponential growth of life forms takes place with a multitude of species cohabitating, resulting in rich biodiversity all crammed into the tight confines of an ecosystem.

Retailers should conceptualise convenience stores as an ecosystem in high footfall locations. This approach will ensure that retailers will make the store work to its best abilities and that the investment into real estate, business rates and staff will count and generate a return.

Seating the store at the heart and centre of an ecosystem will enable other services to ride on the back of the footfall and infrastructure created by the store. By these service provisions we mean anything from click & collect

partnerships to legal, banking, foodservice and pharmacies services to extended range (in digital form) and to yet unknown technological breakthrough innovation that ties smartphones and shoppers to physical locations.

Offering click & collect capabilities makes eminent sense for convenience operators as a footfall driver. The benefits of being able to collect an ordered item at a time convenient to the shopper (i.e. after work, during lunch etc) and in the shopper's vicinity are obvious, driving retailers to partner with convenience operators in the neighbourhood through a third part player such as collect+ in the UK or Kiala in France or DHL in Germany.

without the written permission of ResearchFarm.

## The other meaning of ecosystem: creating a walled garden



Multichannel using all channels to reach consumers - NOW using all channels IN STORE to reach the shopper - another ecosystem

Amazon, Apple techniques to tie shoppers in, "walled garden", hardware and software integration to sell content -> now used in store

Techniques used on high street, M&S, upload photo for make up advice (tie in), then shop in store, online used as ecosystem provider (2x conversion rate)





# SAMPLE PAGES

## Localising convenience: Adapting for an older generation – 7-Eleven & Toyota collaboration

7-Eleven in Japan tied up with Toyota Motor Corporation to enable its staff to deliver customer orders, either made over the phone or in store to their houses by Toyota mini-electric vehicles.

According to 7-Eleven the company has managed to significantly boost its customer numbers among older consumers by offering this type of delivery service. Despite the convenience chain being perceived by shoppers as mainly catering to younger consumers, over 50s now account for 30% of its customer base, compared to 12% for under 20s.



## Duanne Reade: PL relaunch shifting perception from drugstore to convenience



Private label redesigned and repositioned to suit wider revamping efforts around store environments

The experience of Duane Reade goes to show that private label strategy plays an integral role in the rebranding and revamping process on the wider store level.

In order to create a holistic image for the company, it is vital to acknowledge the importance of its private label positioning in rebranding efforts. By redesigning and revamping its private label in conjunction with wider refurbishments and repositioning of its stores around its 'New York Living Made Easy' corporate initiative, Duane Reade has reaped the benefits of its turn around strategy, not just through a doubling of private label sales but also a more positive perception of the retailer among its target customer base in the city.





# HOW TO ORDER

## PRICE OF THIS REPORT

This report is priced **GBP1,200** (138 pages, delivered as a PDF file).

- Or you can also get a yearly access to our reports with our **Subscription Service** (£5,000/year).



## VISIT OUR WEBSITE

[www.ResearchFarm.co.uk](http://www.ResearchFarm.co.uk)



## ORDER ONLINE

Payment modes offered:

- **By bank transfer**  
When checking out, please check 'invoice' as payment mode. We then send you an invoice.
- **By credit/debit card**  
Secure payment via Paypal. If you want to pay with your credit/debit card you don't need a Paypal account, just use the appropriate option when landing on the Paypal page after checking out.



## RECEIVE YOUR REPORT BY EMAIL!

## CONTACT

**ResearchFarm Ltd**  
Suite 12154 - 2nd Floor  
145-157 St. John Street  
London EC1V 4PY (UK)

Phone  
Email  
Web

+44 (0)845 052 1168  
[sales@researchfarm.co.uk](mailto:sales@researchfarm.co.uk)  
[www.researchfarm.co.uk](http://www.researchfarm.co.uk)