



## **ACTION REPORT #4**

### **Refueling Drives Teen Business**





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Research findings – based on the previously conducted NACS / Coca-Cola Leadership Council study, Building Loyalty with the Next Generation – encourage convenience store retailers to learn about and develop relationships with teens. We know teen fueling patterns are distinctive: they buy a little gas a lot of times each month. They buy more non-food items, such as electronics, batteries, consumer tech supplies, and health and beauty products, at convenience stores than do older shoppers. And, the social aspects of shopping are extremely important to them. But if they don't feel welcome or as if they belong, they won't come back.

Action Report #4\* translates research key learnings into actionable ideas for convenience store retailers.<sup>1</sup> The following tips showcase how enhanced vehicle fueling experiences can be used to attract and retain teen consumers<sup>2</sup>, differentiate your store and, ultimately, increase sales.

**Tip 1: Optimize First Impressions**

**Tip 2: Support Purchase Behaviors at Each Stage of the Fuel Learning Curve**

**Tip 3: Offer Unique Experiences Related to Gasoline Purchases**

**Tip 4: Bundle In-Store Product Promotions with Gas Purchases**

**Tip 5: Make Paying Easy**

In addition, this Action Report contains content adapted from select 2007 NACS Magazine case studies reflecting Council members' validation studies and their meaningful insights into the significance of teen shoppers' vehicle fueling experiences.

\*This document is part of a series of Action Reports developed by Clickin Research that reflects key findings of Building Loyalty with the Next Generation, research previously conducted by the NACS / Coca-Cola Leadership Council. The study was designed to better understand and serve the needs of "emerging" shoppers, focusing primarily on teens ages 16-20. The study and all Action Reports are available at no cost on the Council web page at [www.ccrrc.org](http://www.ccrrc.org) via the NACS/CCLC tab.





# REFUELING DRIVES TEEN BUSINESS

## Tip 1: Optimize First Impressions

Marketing tactics that encourage parents to bring their children and pre-teens into the store are a smart way to initiate a relationship with the young customers.

*"It's just the store I have grown accustomed to going to. They treat me great every time."* – 16-year-old boy, New York

### Consider

- Offer incentives that encourage parents to speak positively about your store. Create opportunities that encourage parents to bring their children and pre-teens inside when they visit to refuel the car.

### Validate

- Observe teens:
  - Monitor whether adults bring their children and pre-teens into the outlet before or after purchasing gas.
  - Track when kids stay in the car, whether the adults come into the store to purchase something to give or share with them.
- Talk with teens:
  - Ask about their childhood visits to convenience stores.
  - Inquire about what they learned from their parents about various fueling locations, including your store.
  - Determine how they decided to shop at your store.

### Test

- Create promotions that provide rewards to children whose parents refuel at your store. Encourage parents to bring their kids into the outlet to receive those rewards.
- Create incentives for parents to bring their teen soon-to-be drivers to refuel at your store and to come inside the outlet.





## REFUELING DRIVES TEEN BUSINESS

### Tip 2: Support Purchase Behaviors at Each Stage of the Fuel Learning Curve

Everything about refueling has a high impact on teens. Many early teens participate in the refueling experience, making it a great opportunity to reinforce your brand and encourage store visits. Fourteen- and fifteen-year-old teens, not yet driving, notice the fueling equipment, while middle teens refuel their cars, themselves, and their electronic devices. Sixteen- and seventeen-year-olds – many of whom drive – decide where to purchase fuel based on equipment and experiences.

*“All the lighting outside makes me feel safe after dark.”*– Jen, 15, Ohio

*“It’s more organized, more advanced, much cleaner, and has cheaper gas.”* – Brett, 20, Oregon

#### Consider

- Identify what teens consider the most important features of the forecourt and fueling equipment, and link them to in-store promotions.

#### Validate

- Observe teens:
  - Track whether passenger teens assist their drivers with refueling and car maintenance.
  - Determine what other activities refueling teens engage in or products they buy when they purchase gas.
  - Monitor the different patterns among early, middle, and late teens.
- Talk separately with early, middle, and late teens:
  - Ask what they like and don’t like about the fueling stations at your store.
  - Have them describe the best fueling stations they’ve visited.
  - Inquire about what in-store purchases they make when they purchase gas.
  - Learn about any inconveniences they may have encountered.
- Ask late teens to describe how their opinions and behaviors about refueling have changed since they started driving, and why they think those changes occurred.





## REFUELING DRIVES TEEN BUSINESS

### Tip 2: Support Purchase Behaviors at Each Stage of the Fuel Learning Curve (*cont.*)

#### Test

- Remove inconveniences described by refueling teens.
- Encourage store personnel to develop solutions targeted at each teenage segment.
- Ask store personnel to observe changes in teen purchase patterns related to these solutions.





## REFUELING DRIVES TEEN BUSINESS

### Tip 3: Offer Unique Experiences Related to Gasoline Purchases

The experience at the pump matters! It has the highest impact on teen satisfaction and loyalty to their convenience store.

*"I chose this store because I knew I could get my car in and out of the parking lot safely without getting hit."*

– Grant, 18, Louisiana

*"I think the parking lot should be bigger because it is crammed when I park. The pumps are too close to the parking."*

– Meagan, 16, Maryland

*"I would like to become part of some type of program to work towards free car washes. I like buy 5 get your 6th wash free.*

*Other car washes do this, but there is nothing like it at this station's car wash."* – Jake, 20, Texas

#### Consider

- Draw teens to your pumps with unique, relevant and compelling offers.

#### Validate

- Talk with teens:
  - Ask what makes refueling convenient for them.
  - Inquire if they know of other retailers that offer such conveniences.
  - Learn what changes would improve your store's forecourt.

#### Test

- Create interesting and unique experiences in your forecourt. Get teens talking by offering promotions that link the 3F's: food, friends, and fun.
- Surprise refueling teens – inside and outside the store – with free stuff that enhances the fueling experience.





## REFUELING DRIVES TEEN BUSINESS

### Tip 4: Bundle In-Store Product Promotions with Gas Purchases

Drive more in-outlet visits by promoting solutions at the fueling stations that are delivered inside the store.

*“Incentives with every 8-gallon fill up of gas at your station.”* – Trent, 16, Maryland

*“They have the kickback cards, and it’s just my gas station.”* – Dean, 18, Texas

#### Consider

- Identify store products and services relevant to and compelling for teens that purchase gas.

#### Validate

- Observe teens:
  - Determine the percentage of teen drivers purchasing gas – as well as their passengers – who come into the store.
- Talk with teens:
  - Find out what occasions bring them and their friends into the store during a fueling stop.
  - Determine how often these occasions occur and when they do, who pays.
  - Learn what they think makes an in-store visit convenient after fueling.
  - Inquire how they would spend the time they saved because of added convenience enjoyed at your store.

#### Test

- Create in-store promotions that reward fuel purchases and encourage teen drivers and their passengers to come into the store.





# REFUELING DRIVES TEEN BUSINESS

## Tip 5: Make Paying Easy

Convenience store teens average 18 visits per month for refueling<sup>1</sup>, and they have strong opinions about these transactions. Most value the opportunity to pay with cash, want to receive a discount for paying with cash, and prefer to do it at the pump.

*"I would love to order my food at my gas pump, so when I come in to pay for my gas my food can be ready."*  
– Lincoln, 17, Kentucky

### Consider

- Identify and promote transaction options, offering win-win solution for teen customers and retailers.

### Validate

- Observe teens:
  - Monitor how they pay for gas and which payment options are most often associated with in-store purchases.
  - Track whether they usually buy fuel and in-store purchases after getting cash from an ATM machine.
- Talk with teens:
  - Solicit their ideas for how to better use technology to conduct store business.
  - Ask them to assess the impact of changes to store operations, marketing and leadership.

### Test

- Experiment with no-fee ATMs, combined with incentives to pay for gas purchases with cash.

<sup>1</sup> Recommendations were developed through a process of data mining, fieldwork with customers from a nationally representative sample of convenience stores, and validation studies conducted by members of the NACS / Coca-Cola Leadership Council. Each recommendation is endorsed by the Council and validated by teen panelists.

<sup>2</sup> For suggestions on how to appeal to teens, visit <http://theclickinfohorn.blogspot.com/2006/10/talking-to-Teens-r-u-ready-2-engage-ur.html#links>







## REFUELING DRIVES TEEN BUSINESS

### Insights into Teen Shoppers and the Significance of Vehicle Fueling Experiences

**Adapted from “Wawa Learns from Older Teens” NACS Magazine, February 2007**

Greg Parker is president and owner of The Parker Companies; Howard Stoeckel is CEO of Wawa

- Older teens confirmed the importance of gas availability and the option to pay for it with cash.

**Adapted from “Taking Care of Business; Spinx Adapts to Appeal to Teens” NACS Magazine, May 2007**

Stewart Spinks is founder and president of The Spinx Company

- Teenagers tend to be more Utopian in their thoughts than older customer groups, and today’s generation is much more environmentally conscious. While they may not yet drive vehicles that require alternative fuels such as biodiesel, teens appreciate our “green” commitment. By adopting this market niche sooner than others, we are positioning our company as an environmental trendsetter.

