



What Customers Want from Convenience

Jeff Lenard

NACS Vice President, Media & Strategic Communications

NACS Advancing Convenience & Fuel Retailing
convenience.org





Industry Sales/Watchouts

Vape, Liquor, Dollar, QSR Counts Up

NACS

(0.2)%
Convenience

(1.8)%
Gas Kiosks

+1.1%
Liquor

+0.8%
Smoke/Vape Shop

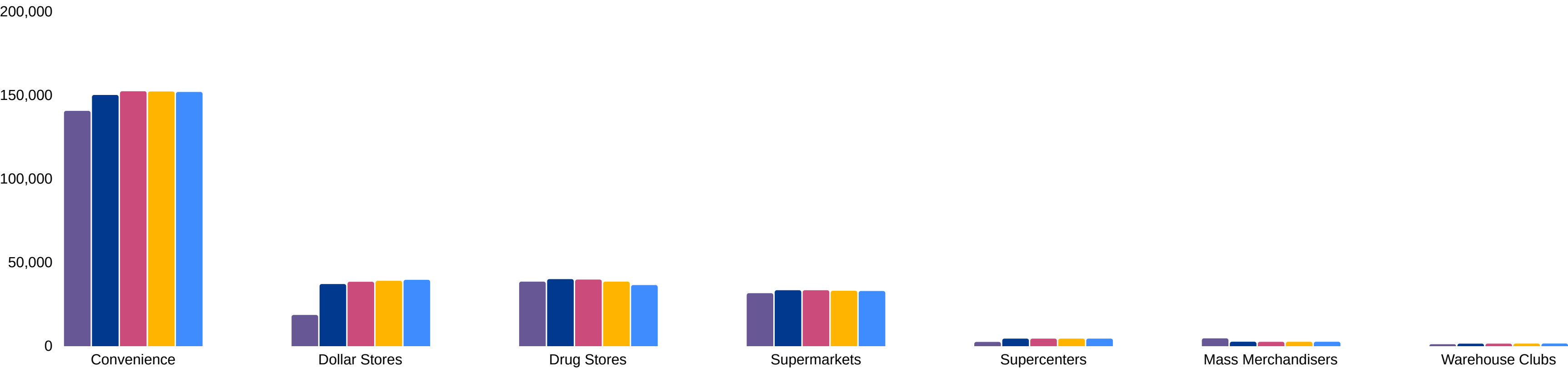
+0.8%
QSR

(5.3)%
Drug

+1.5%
Dollar

(1.3)%
Grocery

Dollar Store Growth Outpaces Overall Retail



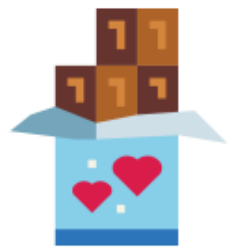
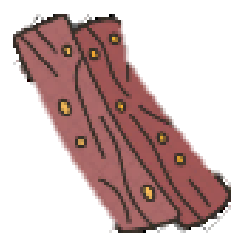
Long-Term	+11,600	+21,007	-2,055	+1,308	+1,957	-2,025	+414
Short-Term	-141	+568	-2,056	-133	-4	+11	+23

In-Store Revenue Up, Transactions Down



Per Store/Per Month	US 2024	US 2025	% Chg.
Total All Sales	\$736,644	\$717,466	(2.6)%
Fuel Sales	\$500,155	\$472,935	(5.4)%
Fuel Gallons	151,449	152,206	0.5%
Average Selling Price	\$3.30	\$3.11	(5.9)%
In-Store	\$247,143	\$251,229	1.7%
Foodservice	\$71,021	\$72,061	1.5%
Merchandise	\$176,652	\$179,569	1.7%
Mdse Less Cigarettes	\$129,840	\$135,217	4.1%
Cigarettes	\$46,794	\$44,346	(5.2)%
Total Transactions	46,413	44,788	(2.7)%

Top 10 In-Store Categories: Sales & Profits

	Pkg. Bev	OTP	Cigarettes	Candy	Salty Snacks
					
GM %	45.56%	30.19%	14.42%	51.34%	41.03%
Gross Profit \$	\$21,516	\$6,520	\$6,396	\$4,938	\$4,486
GP % Chg	6.6%	10.1%	(3.8)%	8.1%	4.3%
Sales % Chg	6.3%	8.4%	(5.2)%	6.9%	3.5%
	Beer	Alternative Snacks	Prepared Food	Cold Dispensed	Hot Dispensed
					
GM %	21.06%	46.67%	56.58%	52.54%	60.33%
Gross Profit \$	\$3,823	\$2,115	\$33,357	\$3,787	\$4,023
GP % Chg	(1.5)%	8.7%	0.2%	7.0%	(5.4)%
Sales % Chg	(1.8)%	7.9%	0.1%	5.7%	0.9%

2024: The Average Profit Per Basket

Basket Value

\$8.05



Minus COGS

(\$5.31)



Minus DSOE and Facility Expense

(\$2.93)

=

Inside Operating Profit Per Transaction

1¢

Inside GP\$ + Op Income

\$2.94



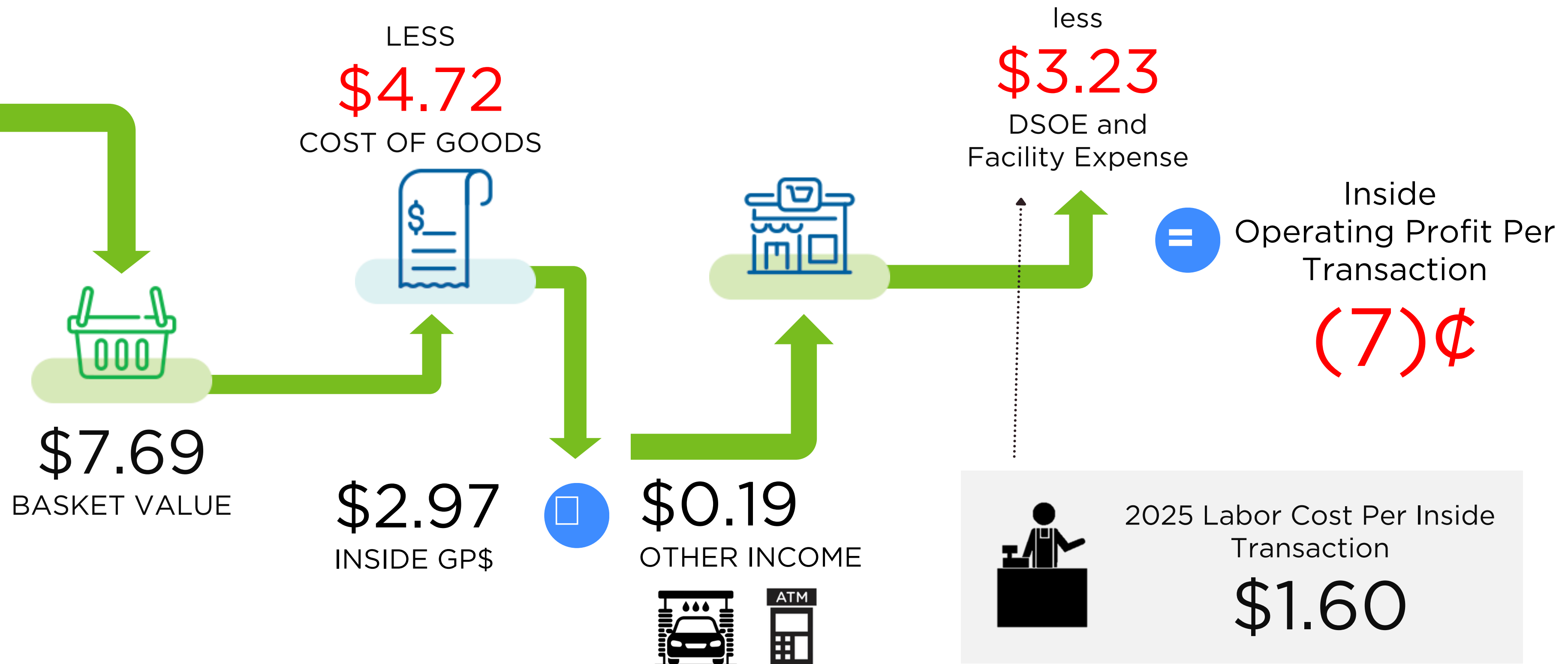
2024 Labor Cost Per Inside Transaction

\$1.42

Source: CSX Time Period Difference 2023 vs. 2024

2025: The Average Profit Per Basket

NACS





Still very uncertain times with fuel



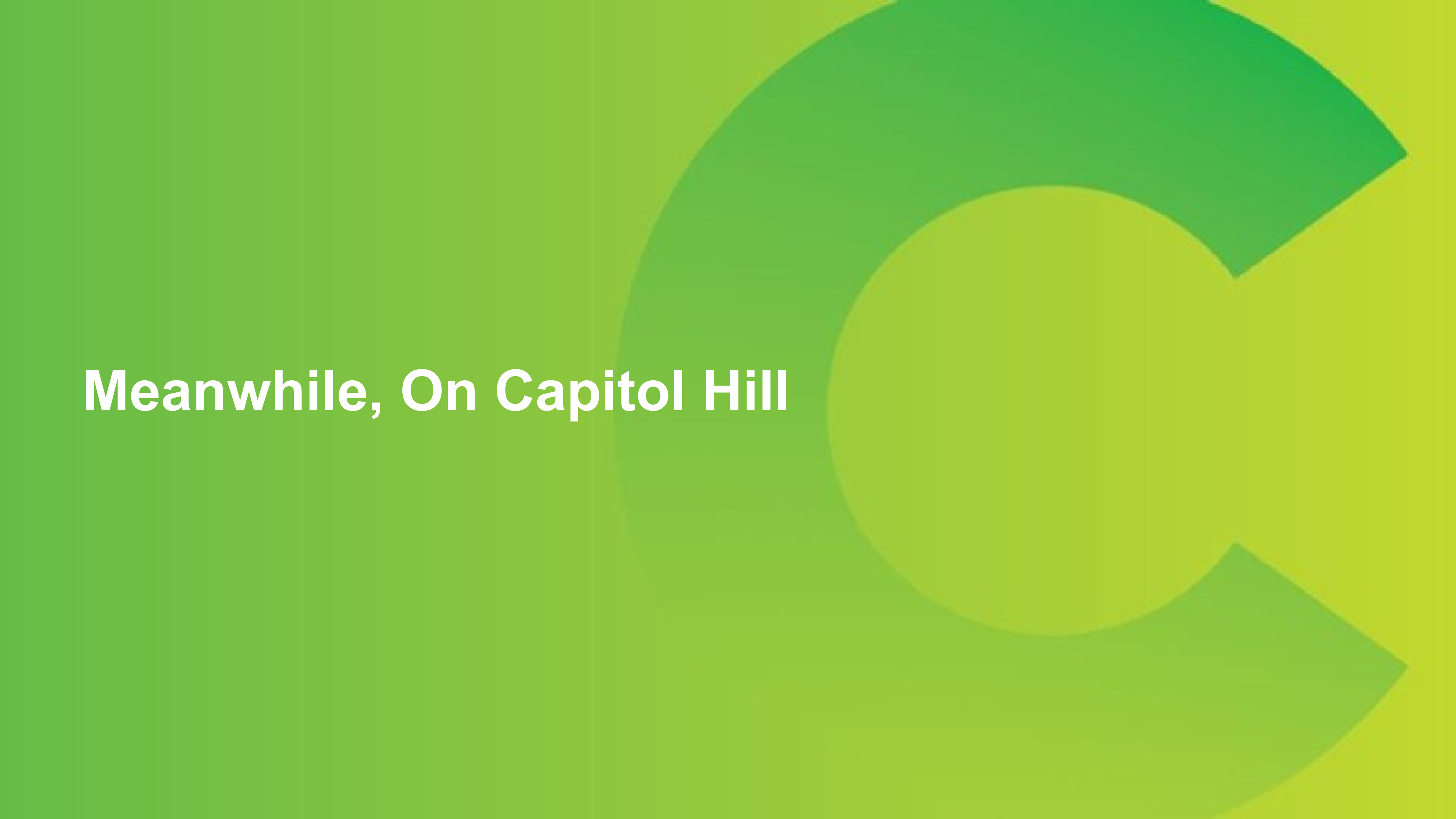
Consumer confidence continues to wane



Retailers must continue to be laser-focused on controllable expenses and drive efficiency



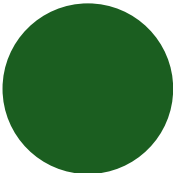
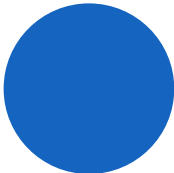
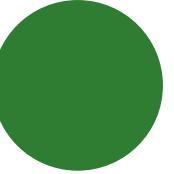
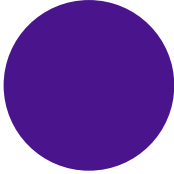
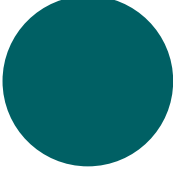
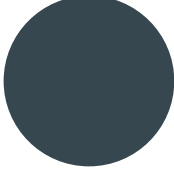
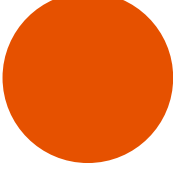
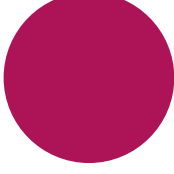
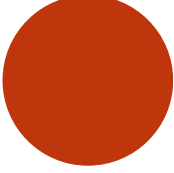
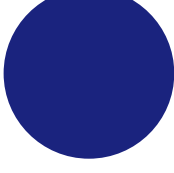
NACS will continue to focus on ensuring we have a level playing field.



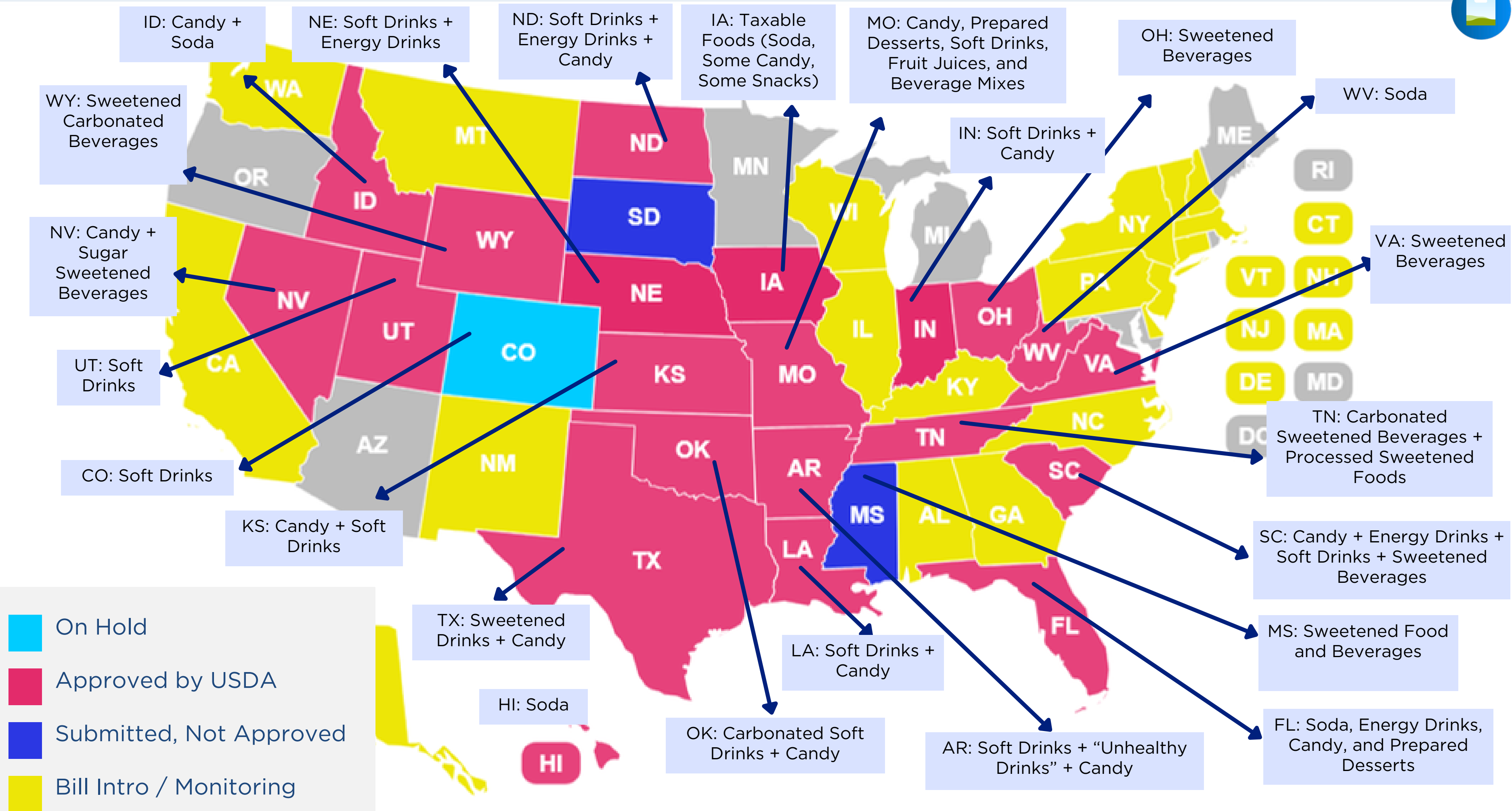
Meanwhile, On Capitol Hill

- Credit Card Competition Act (CCCA) has been introduced in both the House and Senate
- It would mean \$10,000 per year in savings for each c-store across the nation.
- Optimism for 2026 – and we will need your voice.



- | | |
|--|--|
|  Dietary Guidelines |  Food Dyes |
|  "Eat Real Food" |  Artificial Ingredients |
|  Seed Oils |  Ultra-Processed Foods |
|  School Meals |  Added Sugars |
|  GRAS "Loophole" |  SNAP Restrictions |





GOVERNMENT & ADVOCACY



Federal Judge Rules Against SNAP Restriction Waivers in 5 States

The judge ruled the waivers misapplied federal law in approving requests to impose limits on what participants can buy with funds.

- Ruling applies to Colorado, Iowa, Nebraska, Tennessee and West Virginia.
- Other lawsuits are possible.

Jun 23, 2026 | 2 min read

Transparency in the Nicotine Market

It is FDA's responsibility to tell retailers which products can be on the market and which cannot – they have not done that

The consequence:

- Illicit vapes and pouch products are flooding the U.S.
- Letters from credit card companies

NACS is advocating for FDA to:

- Make clear exactly which products we can and cannot sell
- Decide all pending premarket approval applications quickly
- Enforce the law against bad actors

Some progress:

FDA has reduced the PMTA backlog and issued new guidance that could help give some clarity

Regarding Those Mastercard Notices



July 22, 2026

Via email at tiffany.hall@mastercard.com

Tiffany M. Hall
General Counsel
Mastercard Inc.
200 Purchase Street
Purchase, NY 10577

Dear Ms. Hall:

We are a coalition of national trade groups representing regulated retailers and wholesalers and are writing to inquire about recent actions by Mastercard issuing substantial fines to retailers who are selling vape/e-cigarettes/Electronic Nicotine Delivery Systems ("ENDS") products that are not included on the list of 45 ENDS products authorized for sale by the U.S. Food and Drug Administration (FDA).¹

We understand that these recent actions were likely in response to letters sent from various State Attorneys General in April 2026 to credit card companies to request immediate assistance in stopping sales of illicit e-cigarette products facilitated through payment card networks. While we also support efforts to stop the sale of illicit vape/ENDS products, your actions and fines do not account for recent enforcement guidance issued by the FDA in May 2026, described below.

While premarket authorization for ENDS is required under the Federal Food, Drug, and Cosmetic Act (FFDCA) the FDA *does not* strictly enforce such a requirement, and instead opts to exercise its enforcement discretion as to certain products. Accordingly, it is not correct that all "unapproved ENDS items" are currently subject to enforcement action by FDA.

On May 8, 2026, FDA issued a new guidance document entitled "[Enforcement Priorities for Certain New Tobacco Products Marketed Without Premarket Authorization](#)."² In the guidance, FDA remarks that it "lacks the resources to pursue enforcement against every product that has not received authorization." Therefore, it provides:

¹ <https://www.fda.gov/tobacco-products/market-and-distribute-tobacco-product/e-cigarettes-vapes-and-other-electronic-nicotine-delivery-systems-ends-authorized-fda>

² While FDA has indicated that it intends to create and maintain a public-facing webpage identifying manufacturers and their associated products that FDA generally does not intend to prioritize enforcement against, it has not yet published this list. Nonetheless, the policy is still currently applicable to such products.

“NACS has long sought to dismantle the rampant market for illicit products, but the enforcement standard the card networks are applying isn’t the one FDA is now using.”

“We’re urging them to update their policies to match current federal guidance so responsible retailers aren’t subject to multiple, conflicting standards.”

- Margaret Mannion, NACS director of government relations

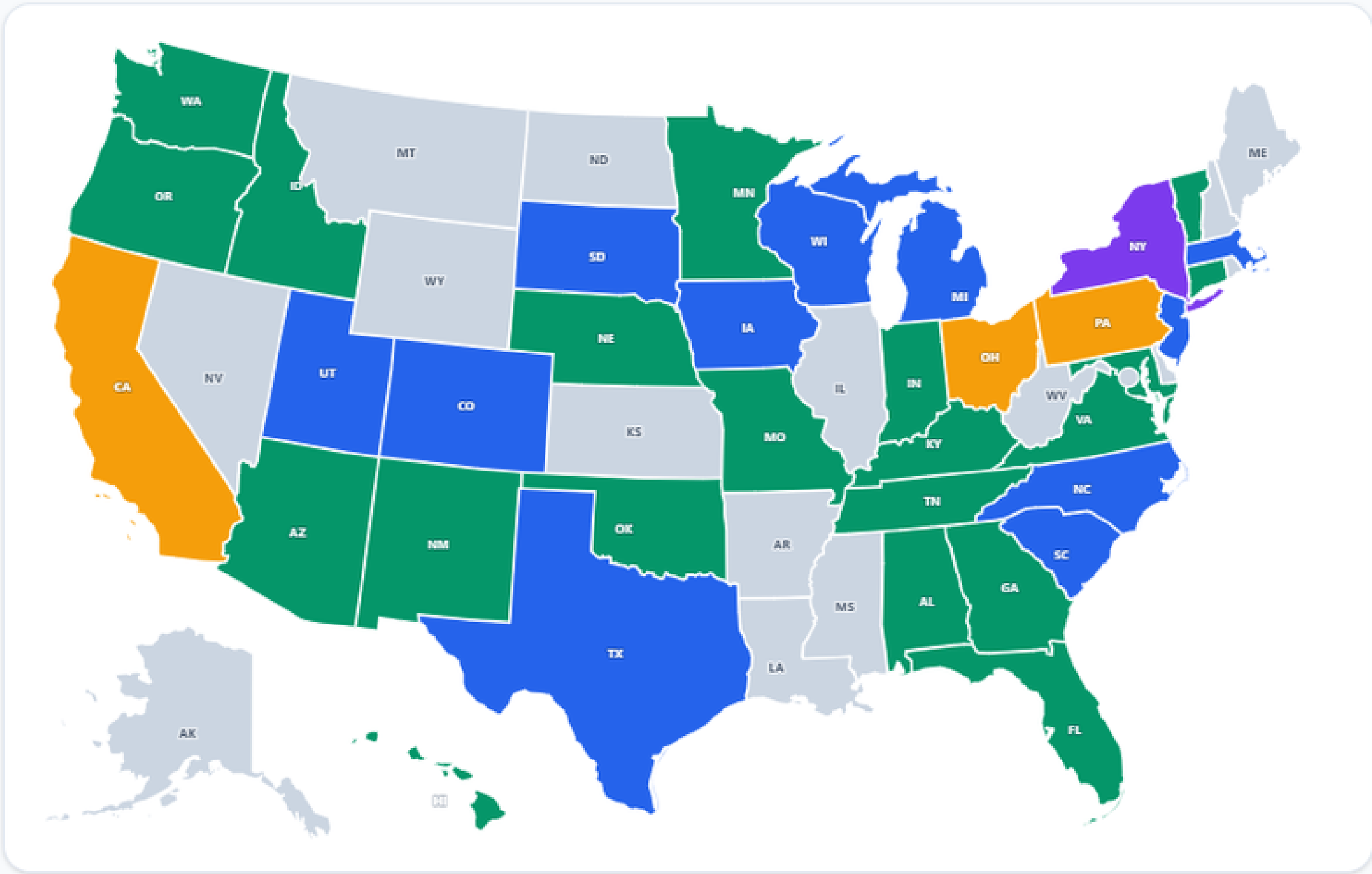
Hemp Ban Scheduled for November 1

- President Trump included language about protecting hemp products in his cannabis rescheduling executive order
- NACS working with hemp groups on delay and regulation
- Possible hemp beverage carve out



The Penny: Rounding Passed by House on July 14

KEY ■ Law enacted (20) ■ Awaiting governor (1) ■ Bill pending (4) ■ Official guidance (11) ■ No policy yet (20)





Penny Rounding Policy

Effective 12/12/2025

Due to the discontinuation of penny production, change due on all cash transactions will be rounded to the nearest nickel when pennies are unavailable.

Please Note:

- Pennies will still be accepted.
- If the total cash purchase amount is less than 5¢, it will be rounded up to 5¢, unless paid with exact change.
- Credit/debit card and check transactions will not be impacted.



How Rounding Works:

- Amounts ending in **1¢, 2¢, 6¢, or 7¢** will be **rounded down**.
- Amounts ending in **3¢, 4¢, 8¢, or 9¢** will be **rounded up**.

©2025 United States Postal Service®. All Rights Reserved. Please Recycle.

Permanent Daylight Saving Time

House passes Trump-backed bill that would make daylight saving time permanent

The legislation now heads to the Senate, where it faces a murky road.



Listen to this article with a [free profile](#)

00:00

04:49



1x



House passes bill that would make daylight saving time permanent

03:08

@BEFIT4LIFE2



SUNSHINE PROTECTION ACT

TO MAKE DAYLIGHT SAVING TIME PERMANENT

The background is a solid light green color. Overlaid on this is a large, stylized, semi-transparent green shape that resembles a thick letter 'C' or a partial circle. This shape is positioned on the right side of the frame, with its open end facing left. The text 'Industry Image' is centered horizontally and partially overlaps the 'C' shape.

Industry Image



The big Oil Companies are not dropping their price at the pump commensurate with the sharply lower prices they are paying for Oil. Those prices are dropping like a rock! In other words, customers are being “gouged.” I have instructed the DOJ to immediately start looking into this. Gasoline prices better start going down a lot faster than what I’m seeing! President DJT



GAS PRICES COMING DOWN, FAST! REPORT ANY ABUSES AT RETAIL LEVEL!!! President DJT

1.89k 5.25k 21.6k



Gasoline Retailers must get their Prices down, IMMEDIATELY! They’re too high considering that Oil is now at \$68 a Barrel, and heading south. The Retailers must quickly react to this statement, and do what they know is right — DROP YOUR PRICE FOR OUR GREAT AMERICAN PEOPLE! There will be no gauging, which is totally illegal. If Retailers don’t do this, big problems lie ahead! Start targeting around the \$2.50 a Gallon number, and California should stop charging such heavy Taxes on their Gasoline. Soon the Tax will be higher than the Product itself, and the United States will not stand for it, nor will the People of California, who are being abused by these ridiculous Taxes, and by their own Government. President DONALD J. TRUMP

1. **Approximately 90% of the cost** of a gallon of gas is determined before the retailer takes possession of the fuel, and after expenses—especially credit card fees—retailers typically make about 5% profit (before taxes) on the fuel that they sell.
2. Retailers know that **consumers are very price-sensitive** about fuel prices and run their businesses accordingly. Price is the No. 1 reason why consumers selected a specific location to fill up: 72% say price was the reason they selected a store to fuel up.
3. Gas prices often rise and fall because of crude oil prices, but that relationship is not always perfect. Right now, high **wholesale gas prices** are the issue.
4. **Everyone's frustrated** by higher prices, including retailers. Consumers have less money to spend, and they are in a worse mood. Plus, credit card fees increase.

AP

Dizzying US fuel prices are determined by factors largely outside of a gas station's control

Wholesale fuel prices, which shift multiple times a day, are the main reason McQuirter said he's charging more than a month ago. He's also facing higher credit card fees and rising costs to maintain pumps.

In times like these, with consumers "screaming for help," McQuirter said small operators like him act more on emotion than greed.

"We're in our stores every day looking our customers in the eye," he said. "It really takes a toll when people are having to cut back on certain things in order to afford to live."

Fuel: Retailers Don't Benefit From High Prices (CNN May 11) **NACS**



It's not just drivers who hate high gas prices. So do gas station owners

Gas station owners are struggling with rising gas prices just as much as their customers. The overwhelming majority of gas stations are small businesses — not the big oil companies whose brands they sell — and the rise in the wholesale gas price they pay has cut deeply into their already thin profit margins.

“We always prefer prices to be lower. Our customers are happier.”
[NACS Executive Committee member Chris Bambury]

“We’ve had days over the past week ... (when) our wholesale cost has gone up over 20 cents per gallon, and that’s been a little bit difficult in terms of how it impacts cash flows,” he said. [NACS Executive Committee member Lonnie McQuirter]



Food: Convenience Stores in the News

NACS

REJournals

Convenience stores vs. fast food? The convenience stores are winning

Apr 2 • By Dan Rafter



Cincinnati Enquirer

How my search for the best fried chicken in Cincinnati led me to a Marathon gas station

2 days ago • By Keith Pandolfi



DT DELCO.Today

Gas Station to Restaurant, How Convenience Stores Have Evolved

RW RetailWire

Will Convenience Stores in America Take Over Fast Food?



BI Business Insider

Convenience stores are becoming culinary destinations



Apr 15 • By Alex Bitter

thegazette.com

For convenience stores, it's food, glorious food

CoStar

In quest to sell more food options, convenience stores expand property sizes, seek new locations

Apr 2 • By Andy Peters



USA Today

Millennials crave convenience stores most of all

FC Fast Company

The hot new real estate commodity? Gas stations

THE WALL STREET JOURNAL

ARTS & CULTURE • FOOD & COOKING

Why Your Next Great Meal May Be at a Gas Station

Fueled by changing consumer appetites, convenience store fare has gone from questionable to mouthwatering. Here's what to order on your next road trip.

A 2025 national poll by the chain operations platform InTouch Insight found that 72% of respondents viewed convenience stores as a desirable alternative to fast-food and fast-casual chains, a double-digit jump from similar polls published in preceding years.



Gas Stations Go Gourmet: Why They're Now Culinary Destinations



The background features a solid light green color. Overlaid on this is a large, stylized circular shape composed of two concentric circles. The space between these circles is divided into four segments by a vertical line and a horizontal line. The top-left and bottom-right segments are a darker shade of green, while the top-right and bottom-left segments are a bright yellow. The text "Who's Shopping... And Why?" is centered horizontally and vertically in a white, bold, sans-serif font.

Who's Shopping... And Why?

Regular Visits, Largely Unplanned

HOW OFTEN CONSUMERS SHOP AT A C-STORE

9%	Daily
24%	Multiple times a week
21%	Once or twice a week
18%	Once or twice a month
19%	Less than once or twice a month
8%	Never

72%
shop at least
once a month

TRIPS TO THE C-STORE ARE

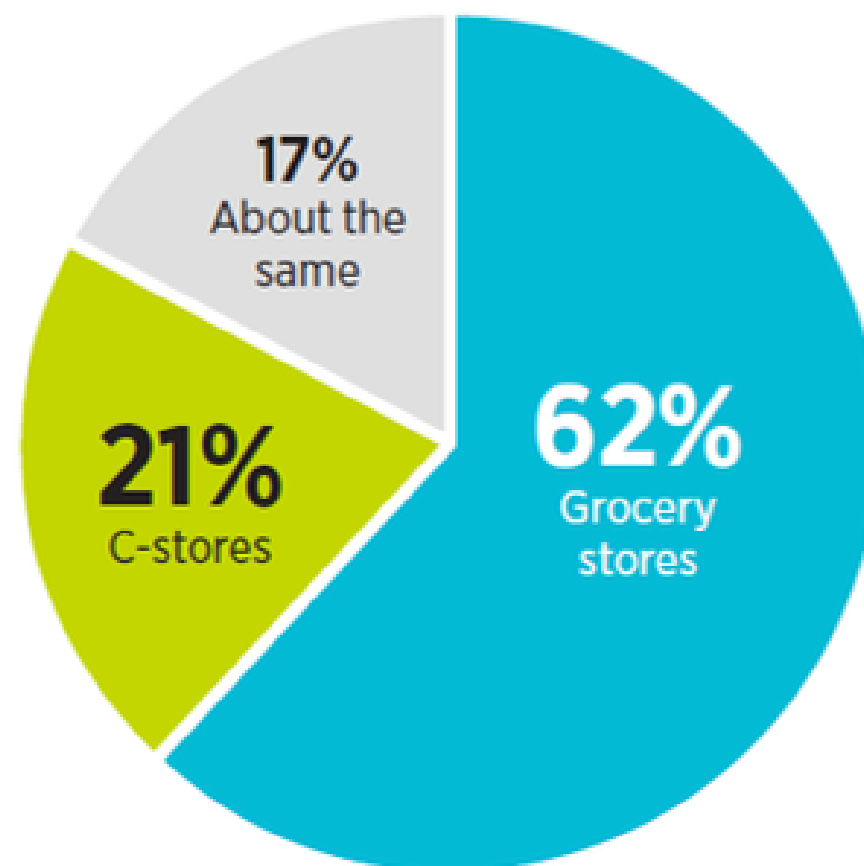
29%	Planned
47%	Sometimes planned
24%	Spontaneous

76%
plan their visits

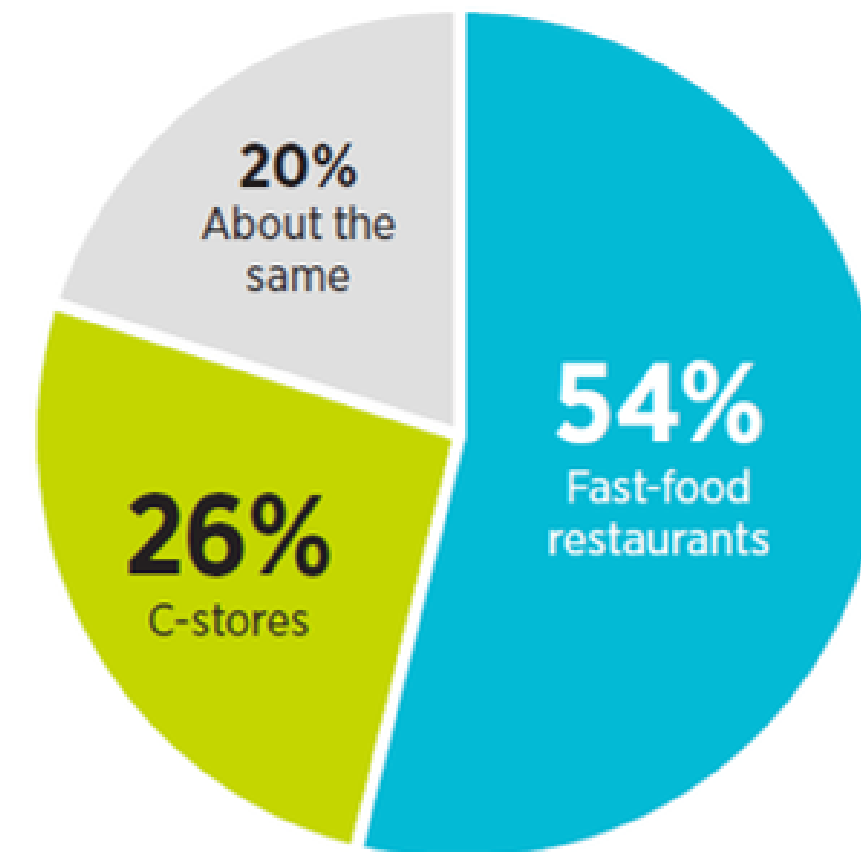
Others Offer More “Deals”

PERCEPTION OF WHICH OUTLET HAS MORE SALES, DEALS AND DISCOUNTS

C-stores vs. grocery stores

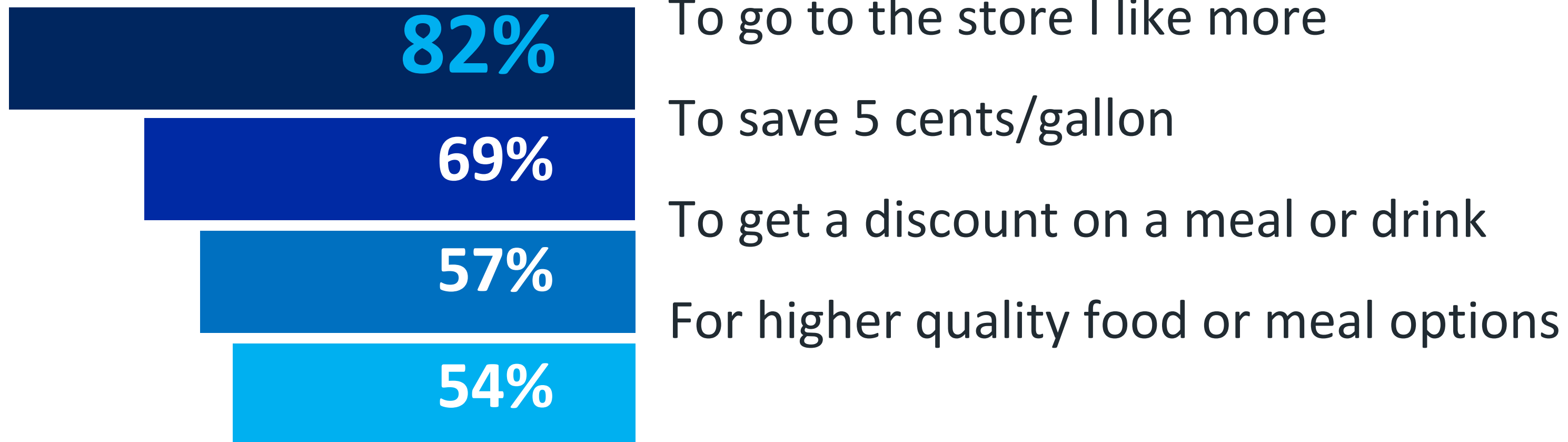


C-stores vs. fast-food restaurants



But Price Isn't Everything!

I would drive 5 minutes out of my way...



Win on Easy, Fast, Welcoming/Friendly

HOW STRONGLY DO YOU ASSOCIATE THE FOLLOWING WORDS WITH CONVENIENCE STORES?

	A LOT	SOME	TOTAL
Close/nearby	62%	29%	91%
Open	57%	33%	90%
Easy	53%	37%	90%
Fast	52%	36%	88%
Welcoming	37%	40%	77%
Friendly	36%	42%	78%
Stress-free	35%	41%	76%
Effortless	35%	40%	75%
Clean	29%	41%	70%
Safe	29%	41%	70%

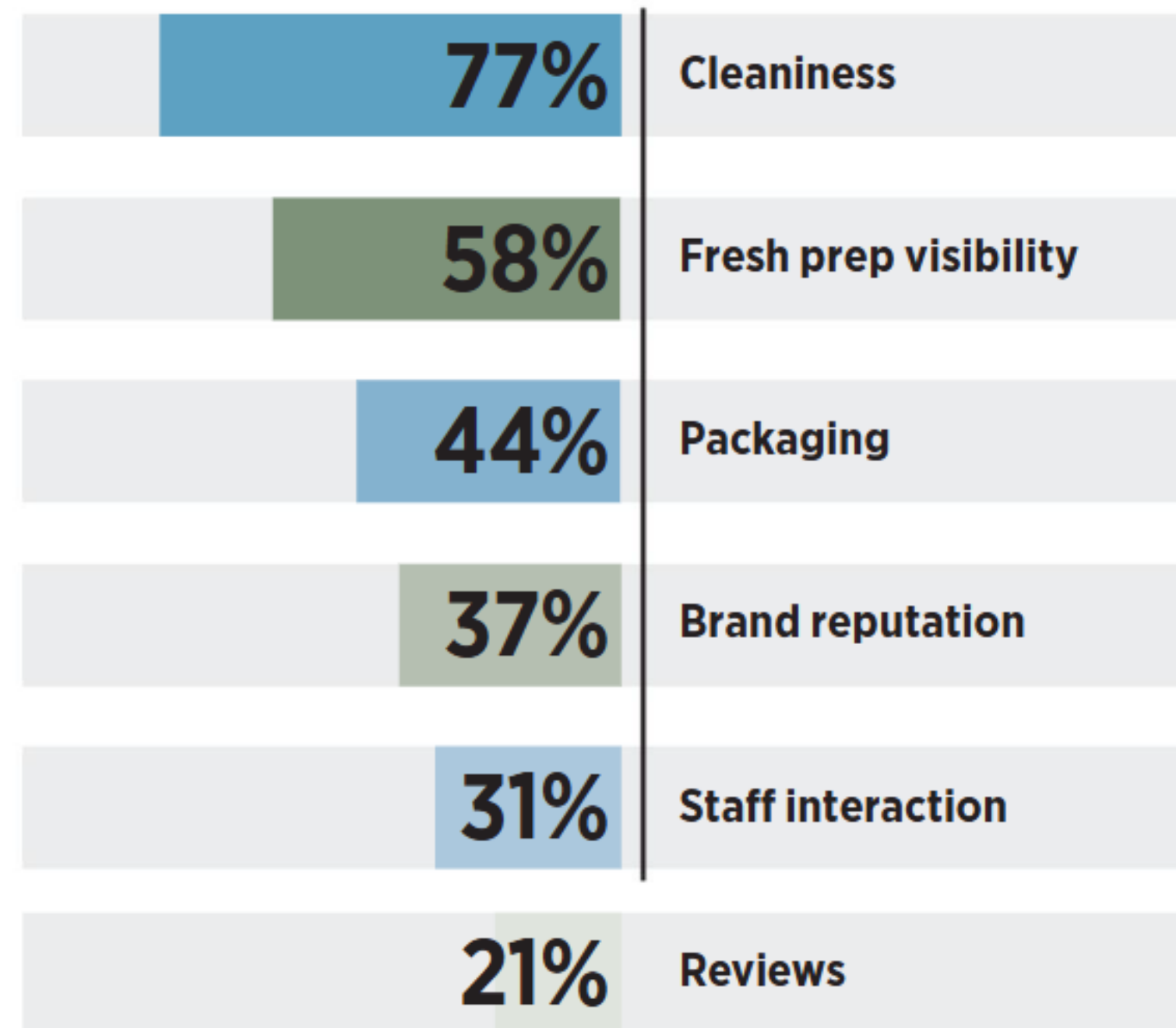
Source: February 2026 NACS consumer survey

WHAT FEELS MOST INCONVENIENT WHEN SHOPPING AT A C-STORE?

Waiting to pay	31%
Finding items	18%
Parking	16%
Going to the store	15%
Paying/checking out	6%
Entering the store	5%
Leaving the store	4%

For Foodservice, Win on Cleanliness

WHICH SIGNALS MAKE YOU MORE
CONFIDENT ABOUT FOOD QUALITY
AT A C-STORE?



Source: February 2026 NACS consumer survey

Drive Thru, Online or In Store?

AMONG CUSTOMERS WHO PREFER GOING INSIDE A C-STORE VS. A DRIVE-THRU ...

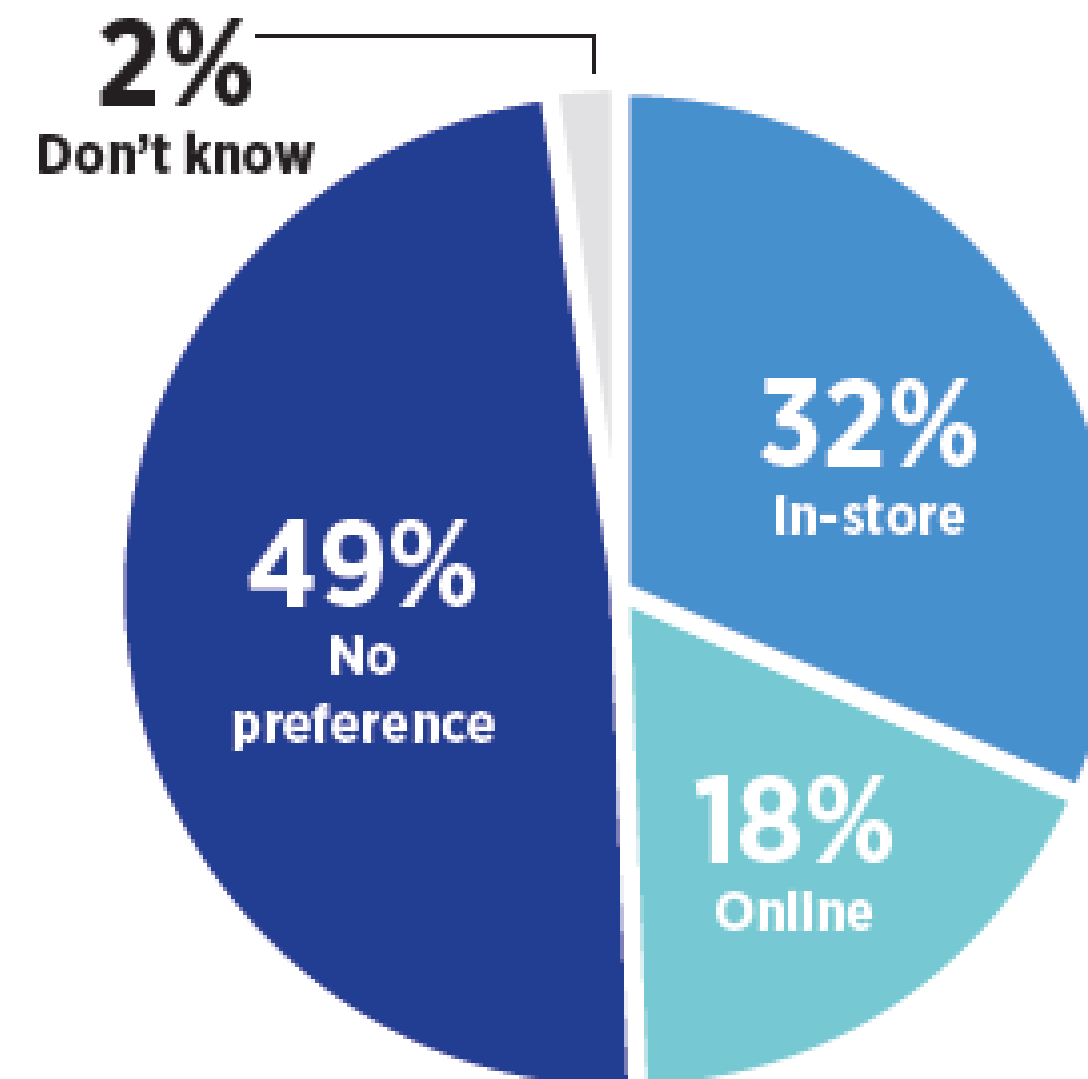
(multiple responses permitted)

- 60%** Enjoy browsing different options inside the store
- 44%** Prefer getting out of the car/stretching their legs
- 40%** Prefer face-to-face interactions
- 34%** It's faster than the drive-thru
- 30%** It's a chance to use the bathroom



About the
Consumer

FOR ITEMS YOU COULD BUY ONLINE OR IN-PERSON, DO YOU PREFER SHOPPING ...



Preferences Are Age-Dependent

HOW CLOSELY DO YOU ASSOCIATE THESE ATTRIBUTES WITH A C-STORE?



Traditional C-Store Offers

Extended hours of operation
Open 24/7
Sells gasoline
Has a restroom
Sells tobacco products
Sells beer

Household Goods

Has products readily available/in stock
Sells household goods like toilet paper
Sells basic electronics like chargers
Sells fresh groceries



Ages 18-34

67%
64%
44%
57%
46%
32%



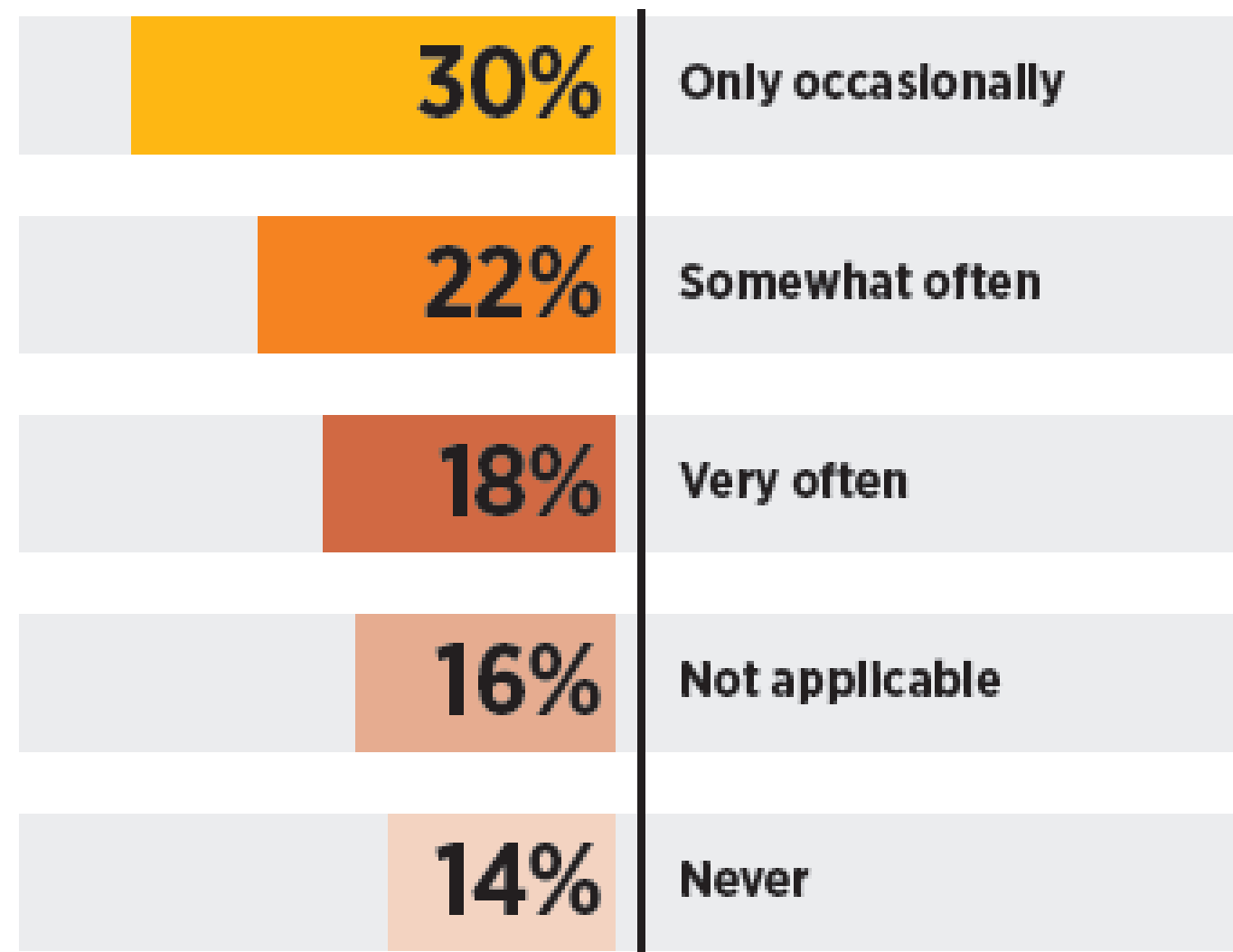
Ages 35-50

83%
72%
67%
64%
59%
42%

60%
42%
34%
31%

Tell Your Food Story on Social Media

HOW OFTEN DO YOU SEE SOCIAL MEDIA POSTS ON PLACES TO EAT IN YOUR AREA?



69%

of frequent c-store customers who see social media posts about food say that they have gone to a place because of the post.

Source: February 2026 NACS consumer survey

How One-store Reeder's Does It

NACS



Reeder's Tulsa | reederstulsa

502 Following 67.8K Followers 1.2M Likes

Follow

Message



Official TikTok of Reeder's 21st and Lewis in Tulsa, OK

@reederstulsa.com

Videos

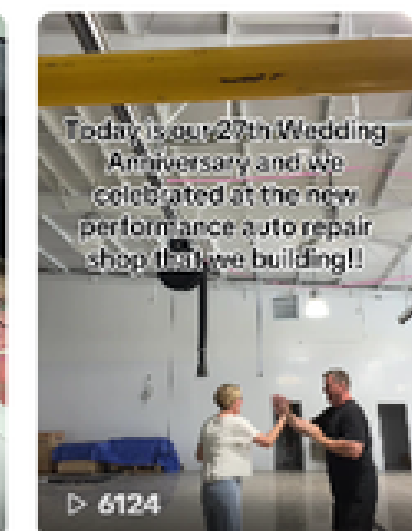
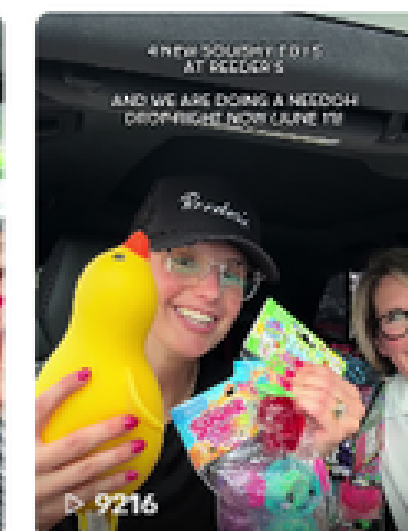
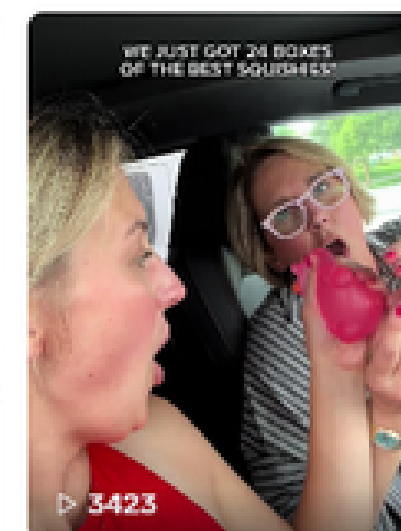
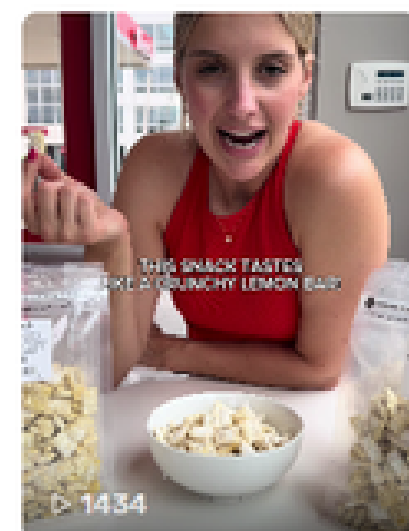
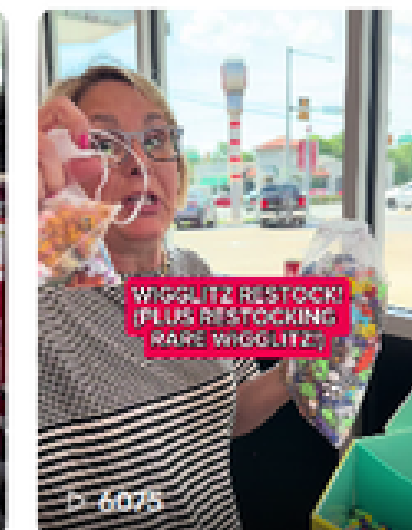
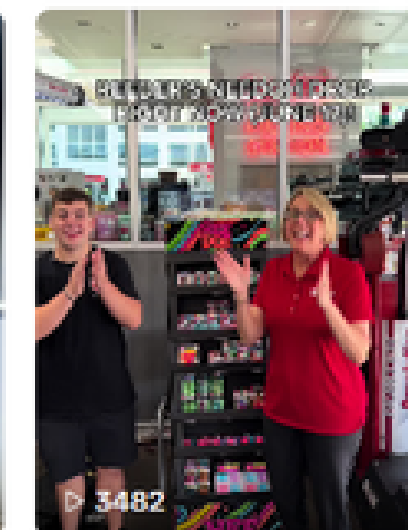
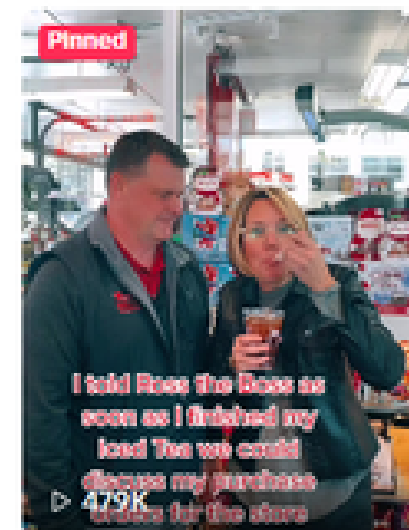
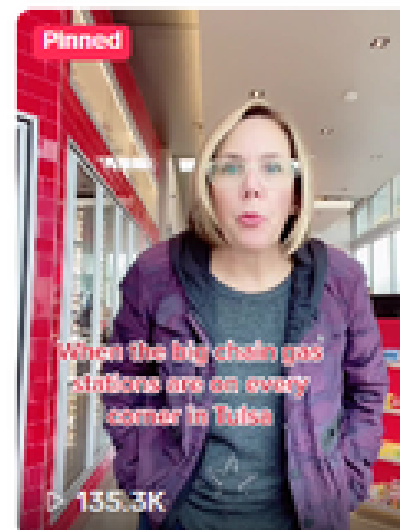
Reposts

Liked

Latest

Popular

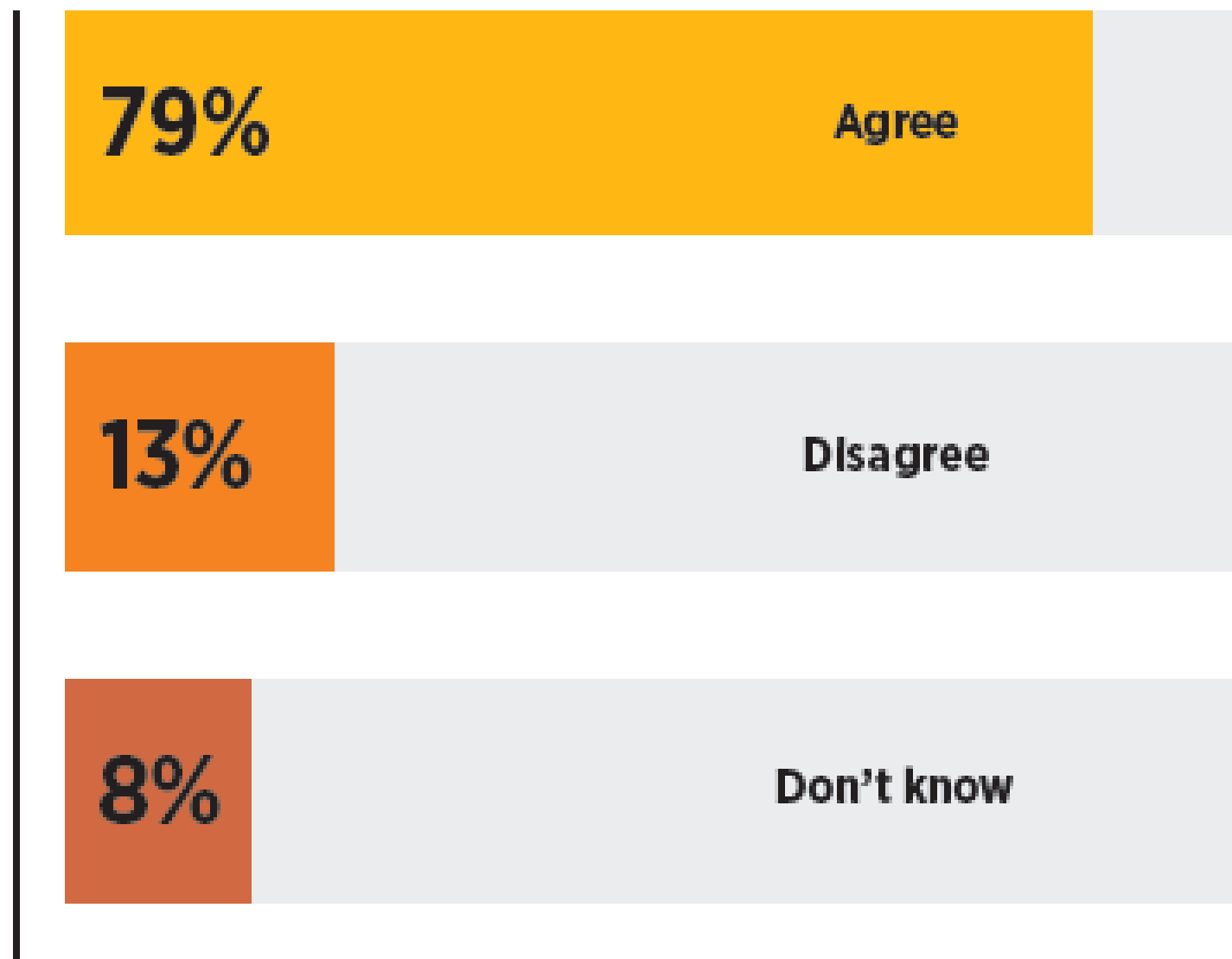
Oldest



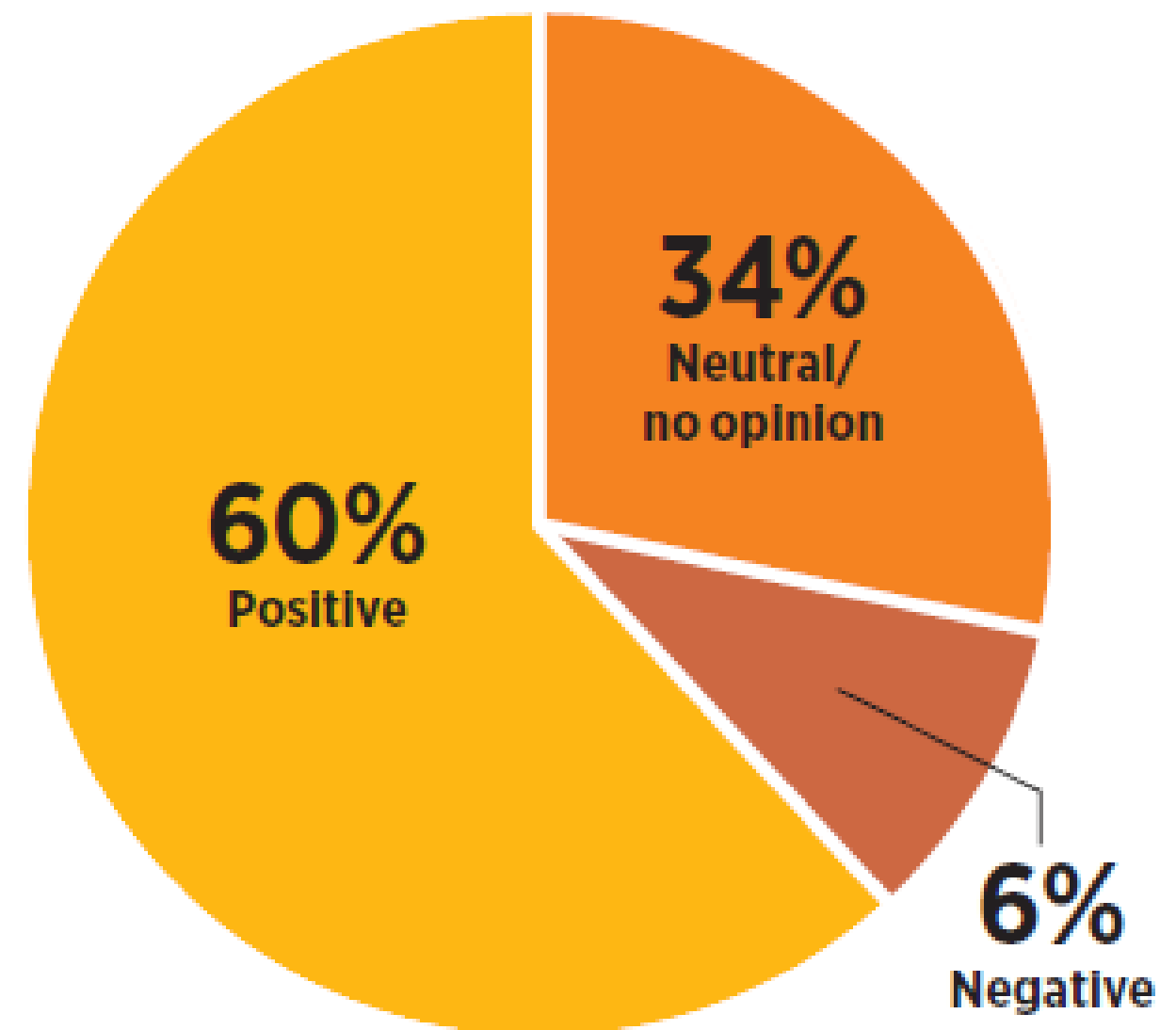
<#>

They Like Us

CONVENIENCE STORES MAKE MY LIFE EASIER



WHAT IS YOUR OPINION OF CONVENIENCE STORES?



Source: February 2026 NACS consumer survey

Convenience Matters podcast
www.conveniencematters.com

Three Things to Look for in the Fuels Market – Episode 396

00:00 00:00



3 days ago

Gasoline prices are more than a dollar lower than this time last year, and demand [...]

Details

The Future Is Here: Exploring Strategic Innovation – Episode 395

00:00 00:00



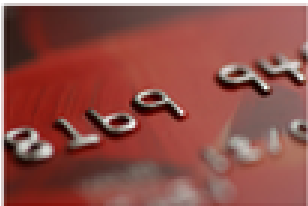
1 week ago

Most organizations will struggle with innovation. Convenius provides convenience retailers with the tools they need [...]

Details

The Momentum Behind the Swipe Fee Fight – Episode 394

00:00 00:00



2 weeks ago

Credit card swipe fees cost the average American family over \$1,000 a year. Bipartisan legislation [...]

Details

NACS Magazine
www.nacsmagazine.com

July 6
No Chain Day

July 1
Unleash the Chains From Day

September 27
New Feature

RETAILER FOCUS

GET IN ON THE NATIONAL DAY CRAZE

C-stores are trying food and drink deals to microcelebrate – and it's working.

CURRENT ISSUE

Caterpillar Management

Liquid Gold

Packaged beverages are vital to c-store profitability, especially during inflationary times.

TRENDS AND INNOVATION

Trendsetters

Here's how c-store retailers...

Convenience Corner Blog
www.convenience.org/
conveniencecorner

Convenience Corner

Convenience Corner showcases the dynamic convenience retail environment. Join the conversations on all things retail, NACS and convenience brought to you by industry experts and guests.

What's Going On With Credit Card Swipe Fees?

Here's why retailers and consumers should care about swipe fees, and what they can do about it.

June 8, 2023 3 min read

By Jeff Lenard

Does the President Control Gas Prices?

Turns out that U.S. presidents have very little control over the price per gallon consumers pay at the pump.

May 3, 2023 3 min read

By Jeff Lenard

Fuels NACS Show

Ideas 2 Go videos
www.convenience.org/ideas2go

Ideas 2 Go Videos

From frictionless store experiences to innovative foodservice offers, retailers today are operating the convenience store of tomorrow. The NACS Ideas 2 Go program showcases industry leaders who are leading the way by staying ahead of the ever-changing consumer, technology and retail landscape.

For more than 20 years, Ideas 2 Go has featured hundreds of interviews with convenience retailers from more than 40 states and nearly 30 countries, showcasing best practices and emerging concepts that redefine convenience, as well as quick takeaways retailers can implement at their own stores.

Ideas 2 Go 2022

TXB Stores Inc.
Georgetown, TX
Duration: 05:17

The Walk-Off Market,
powered by Amazon
Seattle, WA
Duration: 03:24

Lou Perrine's Gas &
Groceries
Kenosha, WI
Duration: 04:45

Coen Markets Inc.
Imperial, PA
Duration: 04:44

NACS Daily News
www.convenience.org/Media/Daily

Latest News

July 12, 2023 NEW

What's the Deal With Threads?

The new platform from Meta, Threads, might dethrone Twitter as the top microblogging service.

July 12, 2023 NEW

Gilbarco Veeder-Root Retail Solutions Rebranded as Invenco by GVR

The rebranding touches 50,000 c-stores.

July 12, 2023 NEW

Lawsuit Is Filed Against Four Companies Illegally Selling Disposable Flavored E-Cigarettes

NYC files a federal lawsuit against four distributors.

July 12, 2023 NEW

McCafé Will Remove Baked Goods From Its Morning Lineup

McDonald's will no longer offer apple fritters, blueberry muffins or cinnamon rolls.

Fuels Market News
www.fuelsmarketnews.com

Fuels Market News Magazine

SPECIAL BOOK 2023



2022 FUEL LEADERS

Rankings for the Top 50 Fuel Brands in the Convenience Retail Industry

Viral Ice Cream (Clarksdale, MS)



Share Your “Secret” Sauce (La Center, WA)



Don Rhoads invited you to join this group.



Steve Paxman ▸ Dining in the Couve

• Join ...

5d • 🌐

Gorilla Grill - burgers and seasoned fries from a counter in a gas station. I say, it's legit! A decent burger. There's only one tiny table in there and three chairs, so we were lucky because it's a little too far to bring it home for me.

Also, they left the recipe for the secret gorilla sauce right out in the open. To be honest, I expected the sauce to have a little more flavor than it did with these ingredients, but if you love their sauce, here you go.

👍❤️ 130

38 Comments

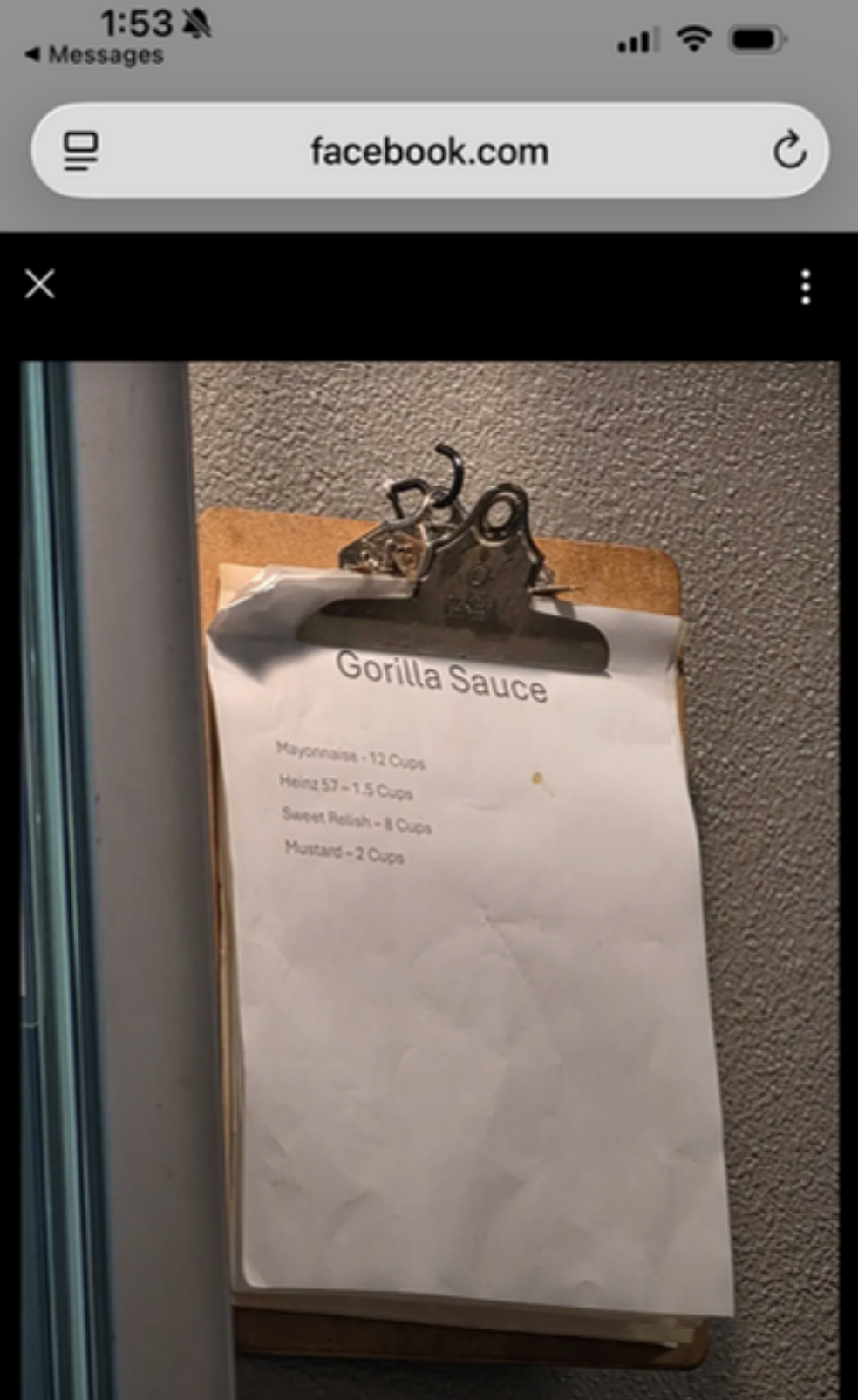
👍 130

💬 38

🔗 1



👍❤️ 6



Local “Greeter” (Oxford, MS)

NACS





Dog Walks (Cornersville, TN)

NACS



What's Next?... 2027 Marks 100 Years of Convenience



The first convenience store was the Southland Ice Company, which began selling milk, bread, and eggs in addition to ice in 1927.

Our opportunity to celebrate the evolution of convenience.

