



THE CONVENIENCE STORE OPPORTUNITY

Foodservice Insights
for Convenience Store
Operators

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Introduction

If you manage a c-store, you're now operating in a hybrid retail/foodservice environment—not just a fuel and snack stop. In 2024 U.S. c-store foodservice drove record sales, accounting for **27.7% of in-store sales and 38.6% of gross profit dollars**. This “food-forward” trend has produced **22 consecutive years of sales growth** even as fuel margins fell, demonstrating that robust food offerings are key to c-store competitiveness. However, we know you face unique pressures as a c-store operator – limited space, intense labor shortages, and thin profit margins – that require tailored solutions. This whitepaper uses industry data and expert insights to help you understand these challenges.

Industry Trends in Convenience Retail

The c-store industry remains large and resilient. In 2024 total industry sales (including fuel) reached \$837.4 billion, even though fuel revenues declined (fuel volume +0.8%, revenue -5.7%). In fact, fuel still comprises most c-store sales (~63% of volume), but foodservice is **gaining share**. In-store (non-fuel) sales grew by 4.5% in 2023 to \$287.7 billion, driven largely by food and beverage. Today, **prepared food makes up 72.6% of c-store foodservice sales**, up from just 11.9% in 2004, highlighting a long-term trend toward made-to-order and grab-and-go meals.

Packaged beverages remain a pillar (17.9% of in-store sales) and have high synergy – over one-third (37.4%) of customers who buy a drink also purchase prepared food. Overall, convenience retail is rebranding itself as a “third foodservice channel” between QSR and grocery, with chains and independents alike investing heavily in foodservice programs. For example, **91% of c-store operators planned significant foodservice investments in 2023-24**.

FIVE-YEAR TREND: FOODSERVICE

	2024	2023	2022	2021	2020
Percent change in total sales	12.9%	13.5%	19.5%	20.5%	-9.9%
Share of in-store sales	22.58%	20.40%	18.77%	16.75%	14.75%

Figure 1. Five year foodservice sales trends (2020 – 2024) (CSN, 2025)

Unique C-Store Challenges

As a c-store, you juggle narrow profit margins and operational constraints. Customers use c-stores for speed and convenience, so **service must be fast and frictionless**. A typical visit lasts under 5 minutes, and impulse sales (snacks, drinks, quick meals) drive profit. At the same time, margins are tight. To stay competitive, operators focus on cutting costs rather than raising prices. Key challenges include:

Labor Shortages

The retail labor market is extremely tight, with more open jobs than job seekers. C-stores suffer high turnover(industry rates around 118%) and constant hiring. Smaller chains and independents struggle to match the wages and benefits offered by larger retailers, making recruitment and retention difficult. This has forced many c-stores to invest in automation and self-service. For example, self-checkout lanes can **reduce wait times by up to 30%** and free staff for other tasks. Online/mobile ordering (with pickup or curbside) is also growing: one major c-store chain saw a **25% sales jump** after adding online ordering, which also cuts labor needs.

Margin Sensitivity

C-store food and retail margins are sensitive to price competition and fuel price swings. When fuel prices drop, total revenue can shrink even if in-store sales rise. Operators therefore fight margin pressure by lowering operating costs. Energy-efficient refrigeration and cooking equipment is a priority, and labor-reducing technologies (ventless cooking, multifunction ovens) are especially valuable.

Space and Speed Constraints

C-stores typically operate in **1,000–3,000 sq ft** or less. There is little room for large kitchens or dining areas. Equipment must be compact, flexible, and often **ventless** (to avoid expensive hood installations). Layouts must enable extremely quick customer flow: customers enter for fuel or coffee and expect to be out within minutes. This means product placement is critical – high-margin grab-and-go items and impulse goods should be **within arm's reach at checkout** while staples (milk, bread) draw customers deeper into the store.

24/7 Operations

Many c-stores are open early to late or even 24/7, so equipment must run long hours with minimal downtime. Energy consumption accumulates rapidly. As Alto-Shaam notes, investing in **energy-efficient appliances** (LED-lit merchandisers, efficient ovens) can “put

more money back in your pocket" over time. Convenience stores avoid off-line maintenance windows, so easy-to-clean, robust equipment is essential.

These constraints mean you need highly efficient, multi-functional equipment and careful layout planning to maximize throughput and ROI.

C-Store Foodservice Trends

Consumers are redefining convenience-store menus, and understanding these trends helps dealers recommend the right solutions. Key current trends include:

Foodservice as a "Food Destination"

More consumers view c-stores like a fast-casual option. In fact, 60% of shoppers see c-stores as food destinations and 25% stop there regularly for lunch. C-stores are adding **hot foods, made-to-order sandwiches, pizzas, salads and full kitchens** to meet demand. Many chains now blend QSR concepts (e.g., fried chicken sandwiches, breakfast combos) into the store.

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Health, Wellness and Variety

As an operator, you're likely expanding beyond traditional chips and candy. Healthier, protein-rich and plant-based options are on the rise. For example, over 50% of consumers now identify as "flexitarians," and global sales of plant-based meat are projected to double by 2026. To capture this trend, stores stock plant-based snacks, gluten-free or keto-friendly items, and clean-label beverages. These selections appeal especially to younger shoppers and can differentiate an independent store.

Over 50% of consumers now identify as "flexitarians,"

Premium Beverage Offerings

Ready-to-drink beverages remain a cash cow (~18% of sales) and often lead to add-on sales. Demand for gourmet coffee and fresh-brewed tea is growing; some stores are

positioning themselves as alternatives to coffee shops. Hydration is trending up too – searches for electrolyte drinks jumped 200% in 2024 – and we see more fresh-pressed juices, specialty sodas (e.g. probiotic “gut health” sodas), and flavored waters. Importantly, beverage buyers often pick up food items: 37.4% of customers who buy a packaged drink also purchase a prepared food in the same trip. This cross-category synergy makes bundling drink & food combos (e.g. coffee + pastry, water + sandwich) a high-margin opportunity.

Bold Flavors and Nostalgia

To stand out, consider embracing spicy and international flavors, as well as nostalgic retro snacks. Spicy chicken sandwiches, global chili sauces, and ethnic street-food items help stores compete with national chains. Meanwhile, limited-time throwback snacks (vintage sodas, retro candies) can spike interest and footfall among loyal customers.

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Overall, your menu today must balance speed (“grab-and-go”) with quality and uniqueness. By stocking a mix of hot case items, refrigeration grab-n-go, and self-serve dispensers, operators meet varied customer missions – from the quick coffee run to the impromptu lunch break.

Driving Traffic and Loyalty

Because c-stores have fewer seats and longer lines than restaurants, attracting and managing customer traffic is vital. Current strategies include:

EV Charging as a Draw

As electric vehicles proliferate, c-stores are adding charging stations to bring people inside. Over **95% of Americans live in a county with public EV chargers**, and there are over 2.4 million EVs on the road. EV owners typically spend 15–45 minutes charging, so they become “captive” customers who browse aisles. Studies show 80% of EV drivers shop in the store while charging. Thus, offering chargers can **generate new revenue** (charging fees) and significantly boost foot traffic. Impulse-friendly merchandising near chargers – like KPS Global’s “Refresh Recharge” cooler design – can turn a charging stop into multiple snack/beverage purchases.

Digital Loyalty Programs

Your customers are digitally savvy. Loyalty apps and programs (e.g. gas rewards apps) can lock in repeat visits. Industry data shows 90% of loyalty program operators see positive ROI, with an average 4.8x return. By integrating mobile ordering, e-payments, and personalized offers, c-stores make it easy for customers to accumulate points and save on gas or food. For example, a coffee loyalty punch card or a free fuel gallon for reaching a points threshold encourages “dollars-back” rather than price-cutting discounts. Driving customer frequency via rewards often yields higher profits than across-the-board discounts.

Convenience Options

Speed is the biggest selling point. Self-checkout kiosks shorten lines and **free up staff for stocking or food prep**. Likewise, curbside pickup and drive-thru windows (fast-tracked during the pandemic) let customers get in and out quickly. Data shows self-service checkouts can reduce wait times by ~30% and even allow near-unattended late-night operation.

Cross-Promotions and Layout

You can benefit when fuel and in-store promotions work together. Joint promotions (e.g. spend \$20 inside, get a discount on gas) drive incremental visits. Floor layout also matters: clear signage directing walk-in customers from the gas pumps to fresh coffee or a snack display helps convert gasoline stopovers into store sales. Plano Hero’s research notes that effective c-store layouts guide customers on a natural loop: entry → fast essentials (coffee, drinks) → browse categories (snacks, cold cases) → checkout (impulse wall). Designing the “power wall” (usually the right-hand wall) with new or promotional items can catch eyes immediately upon entry. By combining loyalty apps, quick-service lanes, and strategic store flow, c-stores can increase trip frequency and spend per trip. Deploying the right mix of technology (POS, mobile apps, kiosks) alongside merchandising can turn passive customers into repeat customers.

Solutions: Equipment, Layout & Support

Key recommendations for c-stores include:

Select Compact, Multifunction Equipment

Given limited kitchen space, look for *ventless* or short-depth units whenever possible. For example, modern ventless combi ovens or rapid-cook ovens can handle multiple menu items (sandwiches, pizzas, proteins) in a small footprint and can be placed without a hood. [Countertop convection ovens](#) or multi-cook units (e.g. [Nemco's ventless PaniniPro Speed Press](#)) offer high output for hot grab-and-go items. Deep fryers should be ventless if no hood exists, and automated drop-in fryers can boost output with less labor. Consider refrigerated reach-ins or mini walk-ins sized for the operator's menu to hold fresh ingredients; if floor space is tight, consider double-duty cooler cases (e.g. using a drink cooler to also store sandwich fillings overnight).

Merchandisers and Displays

[Open, heated shelf merchandisers](#) are essential for c-stores. These allow customers to see and grab food items without staff assistance, increasing impulse sales. Look for units with individual-shelf temperature controls and LED lighting for visibility. Similarly, refrigerated grab-n-go cases should be well-lit and near point-of-sale to encourage quick picks. These displays should have strong branding and clear information, so customers instantly recognize offerings. Compact [heated display cases](#), [holding cabinets](#), and [ventless shelf warmers](#) keep pizza slices, fried snacks, or donuts fresh and visible.

Optimize Layout and Flow

Leverage data and best practices in planning. Place coffee and beverages near the store entry or front (since most stops start with a drink), and zone products by mission as Plano Hero suggests: "*Fast*" zones (coffee, hot foods, cigarettes) near register; "*Browsing*" zones (snacks, candy, drinks) mid-store; "*Essentials*" zones (dairy, eggs, staples) at the back. The checkout should feature highly visible impulse items (candy, batteries, small electronics) within 1–2 feet of the till. Amenity zones (seating or standing counters) can be added if space permits; studies show even a small dine-in area can increase average ticket size. Use clear signage and color-coded shelf tags to speed navigation.

Energy Efficiency

Consider appliances with low power draw and good insulation, since many c-stores run 16–24 hours daily. Products like insulated walk-in panels reduce cooling costs. Switch to LED lighting in coolers and merchandisers. A higher upfront cost in efficient equipment often pays back quickly via lower utility bills (critical for 24/7 operations).

Ease of Operation and Maintenance

Choose equipment that is **easy to clean** and operate with minimal staff, including features like removable food pans, automated cleaning cycles, and simple controls. For example, self-calibrating soda dispensers or coffee brewers maintain consistency without constant staffing. Heated warmers that are passively vented save kitchen labor (no hood to scrub). The goal is to maximize uptime and minimize the skills needed for day-to-day use.

Consultative Design Services

Beyond selling equipment, dealers and design consultants add value by acting as advisors. Take a cue from [PES Design Group](#): first **define the operator's menu and dayparts**, then specify equipment that fits that model. Where possible, repurpose existing infrastructure (hoods, gas lines) to cut costs. If nothing is available, pivot to ventless solutions like the [Nemco PaniniPro](#) high-speed press or a Merrychef Speed Oven. Map out storage needs – even a small walk-in cooler can be transformative, so consider creative placement (e.g. above aisles or under-ceiling freezers). PES emphasizes designing the workflow to “maximize production and create an efficient flow that will reduce staff requirements”. In practice, this means locating prep tables between cooking and holding, and keeping dishwashing or disposals nearby to avoid bottlenecks. Nemco is happy to help connect c-stores with these types of services. Please [contact us](#) to learn more.

Conclusion

As consumers increasingly seek quick, high-quality meals, c-stores are evolving into hybrid quick-serve hubs. However, succeeding in this space requires understanding c-store economics: tight margins, demanding customers, and acute labor shortages. Consider compact, efficient equipment solutions, layouts that maximize every square foot, ease of use and ROI. In doing so, you can help your c-store operation thrive in this fast-growing market.

Contact a [Nemco sales manager](#) today to learn more.

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