

# FORECAST 2017

It is still a very good time to be a convenience store retailer

A Convenience Store News Staff Report

**L**ast year at this time, the cover story of *Convenience Store News* explained why now may be one of the best times in history to be a convenience store retailer. The outlook for 2016 was strong, with not one of the in-store categories included in the *CSNews* Forecast Study predicted to see a drop in per-store dollar sales or unit volume in the year ahead.

This year, as the c-store industry's retailers and suppliers jump into 2017, the good news is that it is still a very good time to be in the convenience store business. The bad news — or should we say, less-than-good news — is that this year's forecast does have a few weak spots.

Now in its 15th year, the exclusive *CSNews* Industry Forecast Study provides dollar and unit volume projections in key c-store product categories based on data from various sources, includ-

## Forecast 2017 Snapshot

	PER STORE	
	DOLLAR SALES	UNIT VOLUME
Other Tobacco Products	6.1%	3.8%
Salty Snacks	5.0%	2.8%
Packaged Beverages	4.5%	4.1%
Alternative Snacks	4.0%	1.3%
Candy	1.8%	-0.3%
Beer/Malt Beverages	1.4%	0.0%
Edible Grocery	-0.6%	-0.8%
Cigarettes	n/a	-0.6%

Source: Convenience Store News Market Research, 2017







ing Nielsen for category sales history; TDLinX for store counts; and government sources for motor fuel volume and pricing data. The data is then run through a sophisticated projection model and presented here in summary form. *CSNews*' consulting economist Maureen Maguire, founder and CEO of New York-based *ThinkResearch*, oversees the Forecast Study process.

Along with the individual forecasts for the product categories of most importance to c-store retailers — alternative snacks is a brand-new addition to our report this year — the *CSNews* Forecast Study once again provides an overall U.S. economic and consumer outlook.

“Barring any unforeseen circumstances such as terrorist activities, geopolitical disruptions or weather-related effects, which would cause the consumer to pause or slow down spending, the consumer is healthy,” Maguire said, when asked for her overall consensus on 2017. “Consumer confidence is high, which translates into healthy consumer spending — not what I would call robust, but healthy — and the unemployment rate is historically low.”

As in years past, we've also brought back our Retailer Forecast Study, asking c-store retailers to predict results for their average store sales this year in the major categories and to provide reasoning for their answers. They were also asked to rate issues that are expected to have a major impact on the business, and share initiatives they are planning to increase sales and profitability.

Also back again is our Supplier Forecast Study, which we introduced just last year. This survey is fielded among convenience industry suppliers and wholesalers to gauge their outlook and how it compares to that of the retailer side of the c-store business.

Of course, the best-laid plans on the part of both industry retailers and suppliers are at the mercy of external factors — one of the biggest being legislation and regulation at the federal, state and local levels. With this in mind, our Forecast 2017 report provides a look at the top legislative and regulatory issues that could significantly impact the industry over the next 12 months.

Turn the page to discover much more about what the year ahead has in store for your business.