

# C-Stores Face the Demographic Cliff

**PayiQ**

PROCESSING INNOVATION

Payments Intelligence® for Convenience Stores



Recent years have brought a series of seismic economic shifts, some expected and some unexpected. E-commerce burst onto the scene as the standard medium of consumption thanks to the pandemic, with players like Amazon seeing explosive sales growth. And with that sales growth came a massive trove of customer data.

This data harvest brought a competitive edge to online players that C-Stores were unable to match. This competitive edge is particularly sharp when you consider that modern customers are growing accustomed to deeply personalized and adaptive experiences.

But, for C-Stores, there has been a growing difficulty to keep up with the wave of personalization—data has become king and the workforce has become less interested in unskilled entry-level positions. These challenges led many to downsize their personnel and add unattended technologies to manage sales.

These new realities create a more complicated hurdle that C-Stores must surmount to offer personalization to their customers. And customers are not backing down from their expectation of a tailored brand experience.

## Customers Expect Personalization Now More Than Ever

According to a recent national independent study commissioned by PayiQ, 91% of customers somewhat value a personalized customer experience, with 50% saying it's very or extremely valuable. With personalization being a top priority among consumers, you'd think getting them to part with their data in exchange for a carefully tailored loyalty experience would be easy, but this simply isn't the case.

### What do customers value?



91%

of customers **somewhat value** a personalized loyalty program



50%

of customers find a personalized loyalty program **very valuable**

That's because many consumers do not want to part with their personally identifiable information (PII). This is especially true among younger generations like millennials. Privacy is a concern, and any business in search of PII is going to face both a skeptical customer base and a whirlwind of evolving compliance regulations.

For C-Stores, the bottom line is that it's a pain to join the big data game. Getting loyalty program sign ups requires a lot of employee effort and the customer is not guaranteed to stay active even after a successful sign-up is obtained.

Speaking of employees, many C-Stores are bracing for cataclysmic employment shifts that are predicted to happen in the next few years.



## The Perils of the Demographic Cliff

C-Store's attempts to personalize are further complicated by the reality of the upcoming demographic cliff expected in 2030. The baby boomers will soon be retiring en masse, creating huge openings in the labor market. These openings will be filled by enterprising millennials who are highly educated, digitally savvy, brand-centric, and interested in lucrative careers. This employment shift will leave countless C-Store jobs unfilled.

That's why so many C-Stores are scrambling right now to find ways to replace people with technology. Soon many front-line, unskilled labor positions will be replaced with unattended point-of-sale systems, robots, and 3D party services, all of which move the customer experience further away from brands and any personalized engagement.







Although elements of this shift are already underway, the impersonal touch of a technology-mediated customer experience will only deflate the value customers want from a brick-and-mortar experience. The only hope of keeping up with the personalization expectations of customers in a market unstoppably careening towards an unattended future is to implement a data solution that can keep up with—or match—digital players.

## PayiQ Delivers 1st-party Customer Data at Scale

That's why PayiQ has created Payments Intelligence®: a game-changing data solution that allows C-Stores to access the buying behaviors and detailed SKU-level data on 100% of their card-paying customers. This solution doesn't require any effort from employees or customers because it sits at the heart of the payments flow automatically collecting data and converting it into secure customer profiles.

That means anyone who comes into your C-Store and pays with their credit card will provide you with a single source of consistent first-party data that can be leveraged to create a personalized customer experience. Thanks to modern advancements in cloud computing and secure data tokenization, Payments Intelligence® can work with any payment processor or loyalty program and removes the operator from data compliance issues.

Payments Intelligence® gives C-Stores the level of data insights previously only available to e-commerce businesses by transforming everyday transaction data into anonymous and actionable customer profiles. These profiles contain data that include:

-  **Frequency of visits**
-  **Average ticket size**
-  **Time of visit**
-  **Menu preferences**
-  **Locations visited**
-  **And more**

This data can be sorted in intuitive ways and used to target specific segments of your customer base, turbocharging your loyalty program, boosting your retention efforts, and giving you a more accurate and holistic picture of customer behaviors. It's also the only true omnichannel solution that can capture detailed customer data in both physical and digital spaces.

Payments Intelligence® is a solution designed to weather the storms of proliferating unattended technologies and proposed data regulations. It's a one-of-a-kind system that gives C-Stores the ability to offer personalization at scale so they can stay competitive in a sea of big data players.

# PayiQ

To learn more about how Payments Intelligence® can engage 100% of your card-paying customers and turbocharge your loyalty program, please visit [www.pay-iq.com](http://www.pay-iq.com)

