

C-store Wine Grows Finer

Convenience store retailers are upping their wine game in various ways By Renée M. Covino

WINE HAS REACHED A HIGHER ELEVATION in the convenience channel.

With the majority of states now allowing wine sales in convenience stores, more c-store retailers are realizing the benefits of offering another alcoholic option besides beer — and not just bargain wines, but premium varieties and brands as well.

As a result, convenience channel wine sales are growing finer, too, as customers are embracing the offering and trading up to the more premium varietals and higher price points they're finding in their neighborhood c-stores.

In Private

7-Eleven Inc. has long been a c-store industry pur-

veyor of wine, including private-label wines. In 2009, the chain introduced its first private-label wine brand, Yosemite Road, which is still available today in chardonnay, pinot grigio, moscato, pink moscato and cabernet sauvignon blends.

Last October, 7-Eleven upped its vino offering by introducing the Trojan Horse label, debuting a chardonnay and a pinot grigio with a suggested retail price of \$6.99 (750 milliliter). The two Trojan Horse whites were the first 7-Eleven private-brand wines to carry vintage dating and California appellations, designating that all the grapes were grown in California and harvested the same year. They also feature a Stelvin closure, which is a type of screw that is easy to open and preserves freshness.

More recently, in June, the convenience giant unveiled its Voyager Point label. Debut varietals include a cabernet sauvignon and a red blend from California, and a sauvignon blanc from the Marlborough region of New Zealand — all with a suggested retail price of \$9.99 for a 750ml bottle. The “bold and modern” bottle label for Voyager Point was designed to appeal to millennial wine drinkers. And, like the Trojan Horse brand, Voyager Point bottles come with a Stelvin closure.

“As the world’s largest convenience retailer, 7-Eleven has a vast customer base. Pricing wines at different price points allows every customer to find the perfect wine for them,” explained Tim Cogil, senior director of private brands at 7-Eleven.

The retailer has observed that wine drinkers are increasingly willing to pay a few extra dollars to move up to higher-quality, higher-price-point wines. So, the chain’s strategy behind Voyager Point is to give wine lovers “the ability to trade up in quality at an affordable price, allowing them to explore the world one premium vintage at a time,” according to Cogil. The goal is also to provide a better-quality wine than the top national brands.

“As customer preferences shift toward quick and convenient services, we would like to continue to provide our customers with what they want, when and how they want it. In terms of wine, that means providing quality wines at reasonable prices for the increasingly on-the-go customer,” noted Cogil.

He told *Convenience Store News* that 7-Eleven merchandises its wine assortment



to align with each varietal. "White, blush and sparkling options are available chilled in the refrigerated section, while those same options, along with red wine, are available on an ambient display," he shared.

The stores also merchandise affinity items like wine accessories — gift bags, corkscrews and more — adjacent to the wine section to "simplify the wine shopping experience." Irving, Texas-based 7-Eleven operates, franchises and/or licenses more than 67,000 stores in 17 countries, including 11,800 in North America.

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Grape Events

Assortment isn't the only avenue for c-store retailers seeking to elevate their vino image.

This spring, Rutter's began hosting a series of wine and food pairing events. The York, Pa.-based convenience store chain partnered with E&J Gallo Winery, as well as local wineries, to offer a variety of samples at each event.

For the first five pairing events, Rutter's and Gallo offered wines such as Apothie Red and Rose, Ecco Domani Pinot Grigio, Liberty Creek



Heard It Through the Grapevine

What are some of the best wine trends for convenience stores to aspire to?

Looking for ideas to up your wine game? Consider these seven trends of late:

1. Digital platform technology. More and more wine stores are "white labeling" the technology end of wine merchandising, utilizing third-party digital platforms for delivery and data collection, which feed directly into marketing efforts. By doing so, stores can track birthdays, shopping preferences, purchase history, holidays and more for experiences and pop-up events, according to Rohan Duggal, owner of Columbia Wine Co. in New York and founder of EpiFruit, a market-based, on-demand wine delivery platform.

2. Classroom events. Beyond tasting events, Duggal is seeing more classroom events, which create an ambiance that is built outside the traditional shopping experience.

3. Hire up. Hiring a public relations person externally or internally to facilitate wine merchandising and marketing events is another trend that Duggal believes convenience stores can aspire to on the wine ladder.

4. Streamlined merchandising. As the adult wine audience gets younger, the store set will have to evolve to an easier approach to buying wine with less SKUs and more organization built on usage vs. the traditional setup by region, said Duggal.

5. Private label. Cadent Consulting Group predicts significant growth in private-label wines beyond the original Two Buck Chuck. "The difference between a new label from a small vineyard and a private label is difficult to discern. Private label can build a real brand in the age of wine exploration and product proliferation," explained Don Stuart, managing director of Cadent Consulting Group.

6. Journey-based strategy. The theory is that while a great wine may be hard to find, the journey is almost as much fun as the destination. Retailers can embrace this journey by creating events around local wineries, social gatherings and tastings with pairings of cheese, crackers and other foods, as well as rotations of wines of the week, said Stuart. The best wine of the week over the course of a month can then be added for permanent placement based on social media or other shopper feedback, he advised. Another suggestion: aim for Friday night wine pairings. They're a great way to kick off the weekend, attract stock-up shoppers and create a meaningful destination event.

7. Low- or no-sugar wines. Target the female wine shopper and/or the millennial shopper with wines that are lower in sugar content. Also, tout organic labels, low carbs, etc., advises Tawnya Sutherland, a retail industry consultant and blogger. She told CSNews that these hard-to-find "diet" wines could help c-stores carve out a niche in the wine market.

Chardonnay, and Barefoot wines. Additionally, Rutter's arranged for food and candy pairings for each wine, including shrimp, ribs, chicken, cheese, chocolate chip muffins, strawberry cheesecake, Kit-Kats and Starbursts.

Rutter's Vice President of Marketing Robert Perkins said the events are a great way to elevate wine and tie in key vendors. The retailer currently has 18 locations with wine. It operates more than 70 stores overall in central Pennsylvania and West Virginia.

While 7-Eleven does not currently conduct wine events, "we do understand the opportunity that exists," Cogil told CSNews. "We experience shifts within our customer preferences during different times of the year, such as white and blush wines in summer, and red and sparkling wines in the winter, which poses a great opportunity for us to capitalize on those customer buying patterns via event-driven merchandising."

He added that the chain does have plans to execute wine events in the future, "with the focus on building customer awareness and driving trial of our expansive wine assortment, including our private-brand offerings."

Other convenience store chains are raising up their wine

profile through a local angle — Lancaster, Pa.-based Turkey Hill Minit Markets broke ground by featuring Pennsylvania wines at its first convenience store, in Allentown last fall.

That offering then branched out to other select Turkey Hill stores in the Keystone State. The company operates more than 270 stores in Pennsylvania, Indiana and Ohio. **CSN**



7-Eleven's newest private-label wine brand, Voyager Point, was designed to appeal to millennial wine drinkers.



NITRO COFFEE



TEA



WINE



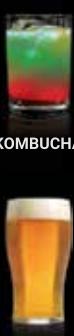
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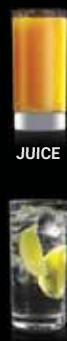
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