

C Store

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Can C-Stores Become Internet Destinations?



photo courtesy of Vex Canada

Why do convenience stores throughout the U.S. offer Wi-Fi to customers but Canadian stores do not?

After all, accommodating texters, surfers and the Facebook generation can be a tremendous boon to business. “Down here, c-stores with Wi-Fi attract more customers who buy more things, plus Wi-Fi is used by store managers to tell these customers about sales and bargains after they leave the store,” says Henry Kurkowski, president and co-founder of Indiana-based One Wifi/eWireless Internet Solutions.

Kurkowski, who services the Super Pantry and Ricker’s convenience store chains in his home state, says convenience stores are ideally-suited to becoming wireless ‘hot spots.’ “Unlike many grocery outlets or coffee shops, c-stores are usually located right alongside highways or busy thoroughfares. This makes it easy to pander to the mobile business people, who

look for hot spot locations to link up with each other or to e-mail documents. If that location is a c-store, rare is the case when the customer won’t top up his gas or buy a snack after he does his business.”

Kurkowski mentions another benefit of Wi-Fi: “It attracts cops who prefer to do their paperwork away from the station, which is a huge security benefit to 24-hour stores.”

Deirdre Reid, a spokesperson for Chevron Canada Ltd., theorizes that one of the main reasons Canadian c-stores haven’t jumped on the Wi-Fi bandwagon is store space, or lack of. We’re interested, and we have seating space in some locations thanks to our partnership with the White Spot Triple-O restaurants. However, we would only consider Wi-Fi if we were confident it

wouldn’t lead to a disruption in the smooth flow of foot traffic.”

But all that will change starting this year, if new companies such as Vex Canada are anything to go by. “Our mission is to bring free WiFi to retailers nation-wide, and we expect to initiate deployment within six months,” says Vex Canada Country Manager David Perl.

Perl points out that Canada’s main cellular providers “have not yet experienced congestion in their 3G networks and therefore have no vested interest in doing what businesses like Vex Canada are doing, which is to develop Wi-Fi networks for customers. In the U.S. the networks are incredibly congested, so the providers are buying Wi-Fi companies developed by independents in order to offload traffic — hence the massive proliferation of Wi-Fi across the country.”

A convenience store can offer Internet access by simply purchasing a router, but a true Wi-Fi system obliges end users to create an account in order to go on-line. “That does two things,” says Perl. “It creates a level of security, plus it makes Wi-Fi a true marketing tool to reach its clientele. And store owners a user list to utilize.”

Like many of its competitors, Vex Canada derives income from monthly fees paid by the client or by retailers who sponsor the client’s Wi-Fi network. “Either way, the advantage is that end-users don’t pay for the service,” says Perl.

As president of Montreal-based Eye-In Wireless, Nathalie Azoulay develops and manages wireless networks for coffee shops, hotels and other venues. Her success in turning the Eaton Centre of Montreal food court into a wireless hot spot four years ago is a good indicator of

SKY-HIGH WI-FI

WILL
CANADIAN
C-STORES
BECOME
HOT SPOT
MECCAS?



POTENTIAL

what convenience stores can look forward to if they pursue Wi-Fi options. "The growth of Wi-Fi usage in this facility has risen annually by between five and 10 per cent, and food sales have increased noticeably during peak hours," she says.

Eye-In Wireless has also installed Wi-Fi in a McDonald's fast food outlet in Vancouver with similar success. "The demand has become so great, thanks to the rise of smart phones and technology such as the Apple i-Pad, that McDonald's has decided to launch Wi-Fi nationally later this year," she says.

If off-the-record comments are any indication, at least one major convenience store is preparing to take the Wi-Fi plunge. A spokesman for a major chain told C-Store Canada Magazine in March that her company is "testing the feasibility of applying Wi-Fi" to its outlets but insisted that "it's too early to discuss the matter at any length."

Azoulay has only one warning about Wi-Fi in a convenience store setting. "Free Wi-Fi isn't going to last. Just take a look at any coffee shop today that offers it without charge: hordes of people linger at the premises for hours but

only purchase a single item at best."

Indeed, some businesses in the U.S. that installed Wi-Fi in the early 2000s to attract customers have long since curtailed the service. One such establishment is Seattle-based Victrola Coffee & Art shop, which in 2005 shut down its free Wi-Fi on weekends because patrons were staying on the premises up to eight hours without buying any-

"In order to avoid congestion problems and patrons unwilling to buy anything, the solution may be to offer Wi-Fi free for the first 30 minutes and then charge after that."



thing and in some cases became offensive when asked to do so. The removal of the service prompted a few nasty e-mails to the store owners but did not decrease in foot traffic.

For her part, Azoulay is hoping for "leadership to be demonstrated in the Wi-Fi sector in Canada in the near future so that its potential won't be spoiled. Those who provide the service

not only be highly patronized, they may even become relied upon. "With the quantity of mobile communications increasing over time by tenfold, c-stores offering Wi-Fi access may become an expected service. With the cause and effect of provinces prohibiting text messaging and cell calls while driving, road side locations with hot spots will possibly become essential."



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