

THE CONVENIENCE STORE MARKET INDEX

A quarterly read on demand, category momentum, channel access and cost pressure across the U.S. convenience channel, built for the manufacturers, retailers and distributors who have to make decisions before the data settles.

51.8

Q4 INDEX READING

\$341.2B

CHANNEL INSIDE SALES

151,975

U.S. STORES

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HOW TO READ THIS REPORT

The Index is a directional instrument, not an accounting statement. It compresses six weighted components into a single 0–100 reading where **50 is neutral**: the level at which conditions neither help nor hinder a brand trying to gain and hold convenience distribution. Above 60 the channel is pulling product through; below 40 it is pushing product out.

Every component is built from named public sources plus a structured practitioner panel. The full construction, including each weight and the exact inputs, is published on page 18. We publish the method so the number can be argued with.

EXECUTIVE SUMMARY

The convenience channel is growing in dollars and shrinking in trips. Everything that matters this quarter follows from that single split.

Inside sales reached \$341.2 billion in 2025, the twenty-third consecutive annual increase, but the gain was 1.7% against food inflation of roughly 3%. Real volume is flat to negative. The store count fell for a second year, to 151,975. The channel is consolidating revenue into fewer, larger, better-run boxes rather than adding demand.

Consumer confidence sat at 89.4 in August, a seven-month low, with gasoline holding above \$4 a gallon through the quarter. Fuel above \$4 is a double hit for the channel: it suppresses discretionary inside-basket spend at exactly the moment it inflates the retailer's own distribution costs.

Against that backdrop, growth is not distributed evenly: it is concentrated in four places, and every one of them rewards a specific kind of supplier.

Foodservice is the channel's engine. It generates 28.5% of inside sales and 38.9% of inside gross profit, up from 11.9% of sales in 2005. But prepared food was nearly flat year over year in 2025 as QSR value menus took share back. Retailers are responding by building real culinary programs, branded packaging and proprietary menus, not by adding another roller grill.

Protein is the demand story. Alternative snacks (jerky, seeds, nuts) grew 7.9% in 2025, the strongest category in the set, attributed in part to GLP-1 users seeking protein density. Our panel reports protein grammage moving to the front of pack across sandwiches, bars and beverages, and creatine appearing in mainstream snack formats.

Nicotine is transitioning, not collapsing. Cigarette volume continues its structural decline while modern oral products grow at double digits. The mix shift is dollar-negative and margin-positive, and it is quietly reshaping the front counter's real estate economics.

Private label is the retailer's answer. Store brands hit a record 23.8% unit share of U.S. grocery at midyear. In convenience the effect shows up differently: as branded proprietary programs covering everything from the sandwich to the napkin and the pizza box.

The counterweight to all of this is access. Consolidation is running hard on both sides of the desk. Distribution above the regional tier is now concentrated in two national players; retail is following. For an emerging manufacturer this means fewer decision-makers, higher stakes per meeting, and a category review calendar that is unforgiving.

THE SINGLE TAKEAWAY

Demand is soft, but shelf turnover is high. Retailers are actively cutting underperformers to make room for better-for-you, foodservice-adjacent and proprietary items. A brand with the right product and a fall-ready program has more open doors this quarter than the macro numbers suggest, and a narrower window to walk through them.

51.8

Index reading
Neutral band

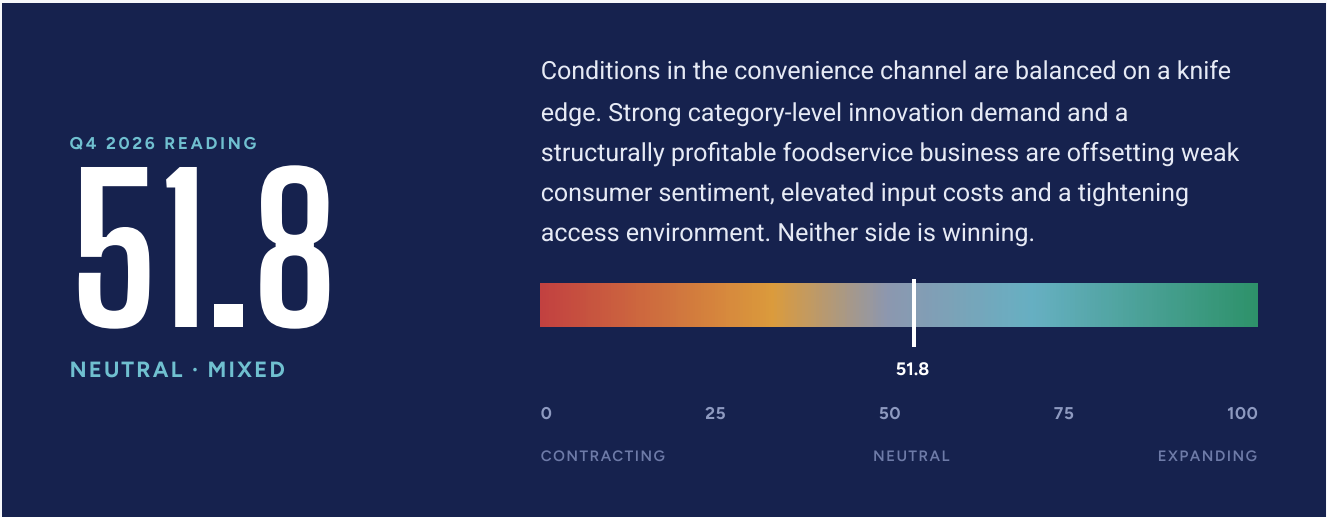
+7.9%

Alternative snacks
2025 sales growth

38.9%

Inside gross profit
from foodservice

THE ALIGN CONVENIENCE INDEX



COMPONENT READINGS

Consumer Demand & Traffic Weight 25%	41.2		SOFT
Foodservice Momentum Weight 20%	67.5		STRONG
Better-For-You Velocity Weight 15%	78.6		HOT
Nicotine Transition Weight 15%	46.0		MIXED
Channel Access Weight 15%	38.4		TIGHT
Input Cost & Margin Weight 10%	35.0		ADVERSE

This is the inaugural reading. No prior-quarter comparison is published because none exists; we will not backfill a trend line we did not measure. From Q1 2027 forward, each edition carries quarter-over-quarter and year-over-year movement for the headline and all six components.

WHAT MOVED EACH COMPONENT

COMPONENT	PRIMARY INPUTS	READ
Consumer Demand & Traffic	Conference Board consumer confidence at 89.4 in August, a seven-month low and well below the 100-plus readings of late 2024. Retail gasoline holding above \$4 per gallon on Middle East supply disruption. Inside sales up 1.7% against all-food CPI of 3.0%, negative in real terms. Store count down 0.2% to 151,975.	41.2
Foodservice Momentum	Foodservice at 28.5% of inside sales and 38.9% of inside gross profit; prepared food alone would rank as the number one in-store category. Offsetting: prepared food sales were nearly flat year over year in 2025 under QSR value-menu pressure. Panel reports accelerating retailer investment in proprietary menus and branded packaging.	67.5
Better-For-You Velocity	Alternative snacks up 7.9% in 2025, the strongest category increase in the set, attributed to protein demand and GLP-1 adoption. Panel reports protein grammage moving to front-of-pack across sandwich, bar and beverage; creatine entering mainstream snack formats; regional and beef-tallow chips gaining review attention.	78.6
Nicotine Transition	Nicotine remains 27.9% of in-store merchandise transactions and a primary trip driver. Cigarette case volume in continued structural decline, explicitly cited by the largest convenience distributor as a drag on revenue mix in consecutive quarters, while modern oral grows at double digits. Margin-accretive, dollar-dilutive.	46.0
Channel Access	Measured from the emerging manufacturer's side of the desk. Distribution above the regional tier concentrated in two national players. Sustained retail M&A through 2025–26. Fewer buying desks, longer review cycles, and category reviews in many chains occurring once per year. Private label expansion competing directly for facings.	38.4
Input Cost & Margin	Beef and veal CPI up 12.9% year over year in May; ground beef at \$6.89 per pound in July. USDA forecasts farm-level cattle prices up 9.9% and wholesale beef up 9.4% for 2026. Panel reports fill-rate requirements near 98% still difficult to hold post-COVID, with protein-heavy manufacturers taking price.	35.0

THE ARITHMETIC

$(41.2 \times 0.25) = 10.30$
 $(67.5 \times 0.20) = 13.50$
 $(78.6 \times 0.15) = 11.79$
 $(46.0 \times 0.15) = 6.90$
 $(38.4 \times 0.15) = 5.76$
 $(35.0 \times 0.10) = 3.50$

Index = 51.75, rounded to 51.8

Weights reflect what actually determines whether a product succeeds in this channel, not the size of each data set. Consumer demand carries the heaviest weight because no amount of category momentum survives a customer who stops coming in.

Weights are fixed for a minimum of four quarters. Any change will be published with a restated back series so the trend line remains comparable.

MACRO BACKDROP

The convenience channel is unusually exposed to the two prices consumers notice most: fuel and food. Both moved the wrong way this quarter.

Consumer confidence fell to 89.4 in August from 90.2 in July, the lowest reading in seven months and materially below the above-100 range of late 2024 and early 2025. Respondents' assessment of present conditions improved; their forward outlook deteriorated. That combination is characteristic of a consumer who is still spending but has stopped planning to.

The proximate driver is fuel. Sustained conflict in the Middle East pushed U.S. retail gasoline above \$4 a gallon and kept it there through the summer, upending forecasts made at the start of the year that had projected a sub-\$3 national average for 2026, what would have been the fourth consecutive year of declines.

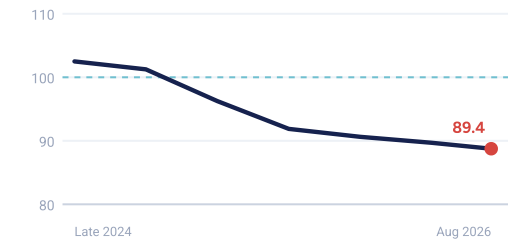
For c-store operators the effect is well understood and unhelpful: higher pump prices raise fuel revenue and depress the inside basket. Customers buy the gallons they need and skip the second item.

Food inflation compounds it. All-items CPI was up 3.4% year over year in July with all-food up 3.0%. Against that, channel inside sales grew 1.7% in 2025. The channel's twenty-third consecutive year of nominal growth is, in real terms, a contraction.

What it means for a brand: price-pack architecture matters more this quarter than line extension. Buyers are protecting the sub-\$3 and sub-\$5 impulse thresholds, and an item that breaches one without a clear functional payoff will not survive the review.

CHART 1

Consumer confidence has not recovered



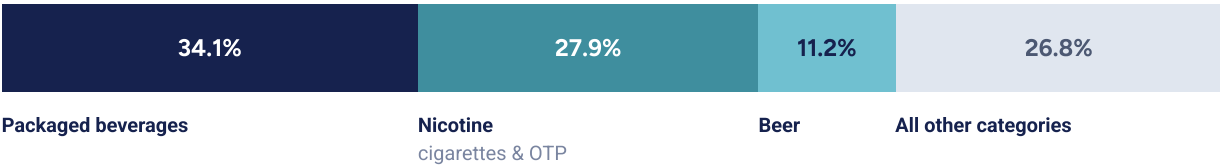
Conference Board Consumer Confidence Index, indicative path. Dashed line marks the 100 threshold. Aug 2026 = 89.4.

Retail gasoline	\$4+
All-items CPI, YoY July	3.4%
All-food CPI, YoY July	3.0%
Inside sales growth, 2025	1.7%

CATEGORY SCORECARD

Three categories drive 73% of in-store merchandise transactions. Everything else in the store lives off the traffic those three generate.

CHART 2 · SHARE OF IN-STORE MERCHANDISE TRANSACTIONS



Source: NACS State of the Industry. These three categories are basket anchors: when one is purchased, other in-store purchases follow. Out-of-stocks in packaged beverages, nicotine or beer do not cost one sale; they cost the trip.

CATEGORY READ · Q4 2026

CATEGORY	READ	DIRECTION
Foodservice	28.5% of inside sales, 38.9% of gross profit. Prepared food nearly flat on volume.	GROW
Packaged beverages	18.7% of inside sales, up 0.8 points. Functional and hydration formats leading.	GROW
Alternative snacks	Up 7.9% in 2025, the strongest in the set. Jerky, seeds, nuts, protein formats.	GROW
Modern oral nicotine	Double-digit growth, taking share from combustibles inside a declining total.	GROW
Salty snacks	Stable in dollars, but structurally unbalanced. One national potato chip brand, everything else regional.	HOLD
Candy	Pressured by better-for-you substitution. Q1 seasonally weakest; recovers post-March.	SOFTEN
Cigarettes	Structural volume decline, cited by distributors as a persistent drag on case mix.	DECLINE

WHITE SPACE

THE PLAIN POTATO CHIP

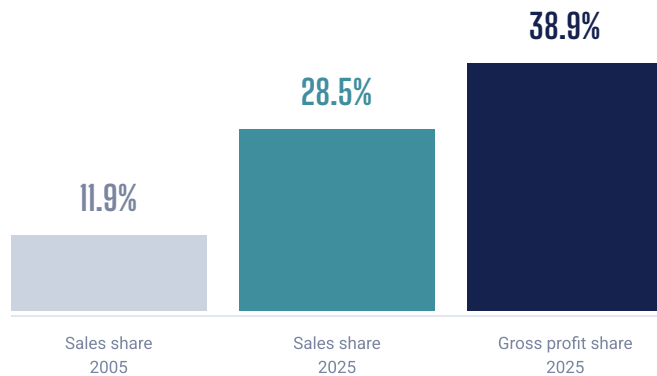
The clearest unmet demand our panel reported this quarter is the oldest format in the aisle. A single national brand holds the majority of potato chip facings; everything else is regional, and distributors are actively asking brokers for a line to carry. Manufacturers keep reinventing the category rather than competing in it. Beef-tallow chips are the most requested alternative-oil variant, but samples reviewed carry 90-day shelf life against a six-month channel minimum.

FOODSERVICE AND THE QSR SQUEEZE

In twenty years foodservice went from a sideline to the profit engine of the channel. The next twenty will be decided by whether c-stores can hold that ground against quick-service restaurants.

CHART 3

Foodservice share of inside sales



Foodservice (prepared food, commissary, and hot, cold and frozen dispensed beverages) now contributes 28.5% of inside sales and 38.9% of inside gross profit. Prepared food on its own would rank as the number one in-store category, ahead of packaged beverages in both sales and profit.

The pressure point is volume. Prepared food sales were nearly flat year over year in 2025, reflecting consumer financial stress and aggressive value promotions from QSR competitors. Roughly a third of c-store shoppers plan a QSR stop within thirty minutes of their visit, a trip the channel is losing at the moment of decision.

Retailers know it. The response is to stop competing on convenience and start competing on food: proprietary menus, named programs, real kitchens, branded packaging, and in several cases QSR partnerships placed inside the box.

WHERE THE WHITESPACE IS

15.2%

of tracked c-store locations carry prepared tenders, a narrow footprint for an item that reads as a channel staple.

~1 in 3

c-store shoppers plan a QSR stop within thirty minutes. That abandoned trip is the size of the foodservice prize.

73.9%

of foodservice sales come from prepared food, up from 66.4% in 2021. Dispensed beverage is ceding share to real food.

Implication for manufacturers. The fastest-moving opportunity in the channel is not the shelf; it is the kitchen. Ingredient supply, foodservice-format packaging, made-to-order components and grab-and-go items built to a retailer's own brand are all growing faster than the packaged equivalents sitting six feet away. A brand with a foodservice-capable format should lead with it.

PROTEIN, CREATINE AND THE GLP-1 EFFECT

The single loudest signal from the field this quarter is one word repeated three times: protein.

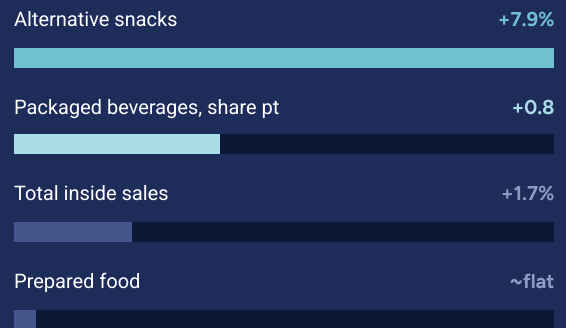
Alternative snacks (the category containing jerky, seeds and nuts) grew 7.9% in 2025, the strongest increase of any in-store category. NACS attributes the demand directly to protein-seeking behaviour, including the rise in GLP-1 users, who eat less overall and therefore optimise hard for protein density per calorie and per dollar.

Our panel describes the reformulation as already complete at the packaging level. Protein grammage is moving to front-of-pack across sandwich, bar and beverage. One major deli manufacturer is redesigning its entire sandwich packaging line to call out grams of protein on every unit. A leading protein bar brand has a 28–30 gram product scheduled for Q1 2027.

Creatine (previously a supplement-aisle ingredient) is now appearing in mainstream snack and beverage formats. That is the clearest available marker of how far functional positioning has moved into general convenience retail.

The category has also matured structurally. Seven or eight years ago protein bars were effectively a single-flavour proposition. Today the set is crowded, segmented and competing on taste rather than function alone, which raises the bar for a new entrant considerably.

CHART 4 · 2025 CATEGORY GROWTH



Source: NACS State of the Industry 2025 data, released April 2026.

THE PARENT SHIFT

Panel members report a distinct change in who walks in and what they ask for. Parents entering c-stores are no longer defaulting to candy; they are looking for healthier, made-to-order options for the whole car. Gas stations remain synonymous with junk food in the public mind, and that gap between perception and assortment is the commercial opening.

THE NICOTINE TRANSITION

Nicotine is 27.9% of in-store merchandise transactions. It is also the category most reliably declining. Both facts are true, and the tension between them is the most consequential structural question in the channel.

Combustible volume is in secular decline and has been for years. What is new is that the decline is now large enough to show up in the reported financials of the channel's suppliers: the largest convenience distributor in the United States has cited the mix shift away from cigarettes toward alternative nicotine as a drag on segment revenue in consecutive fiscal quarters, even while total case volume grew.

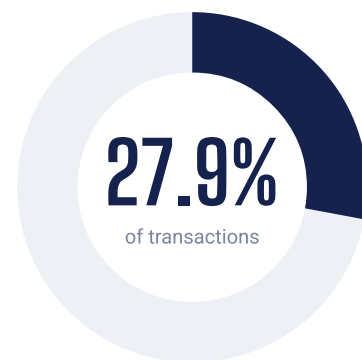
Modern oral (nicotine pouches) is the offset. It is growing at double-digit rates and taking share inside a shrinking total. For the retailer this is broadly favourable on margin per square foot and unfavourable on ring. For the distributor it is a case-mix problem: pouches are smaller, lighter and cheaper to move than cartons, so revenue per case falls even as units rise.

The second-order effect is the one manufacturers should watch. Nicotine's transactions are the channel's most reliable trip driver, and 73% of in-store merchandise transactions come from packaged beverages, nicotine and beer combined. As nicotine's dollar contribution erodes, retailers are under pressure to replace the profit from somewhere, and better-for-you food and proprietary foodservice are where they are looking.

Backbar real estate is being re-planogrammed accordingly. Space freed by carton facings is not staying nicotine.

CHART 5

Nicotine's place in the basket



Nicotine share of in-store merchandise transactions, including cigarettes and other tobacco products.

SEASONAL NOTE

Q1 is structurally the weakest quarter for tobacco and candy alike as consumers act on new-year health intentions. Panel practice is to run tobacco and indulgence promotions in March and April, when those resolutions lapse. Better-for-you assortment is partly a defence against that annual trough.

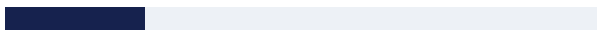
Implication. If your category sits near the front counter, the nicotine transition is your opportunity and your threat simultaneously. Traffic tied to combustible purchase is eroding; space and margin expectations tied to it are being reallocated. Brands positioned as profit-per-facing replacements for declining carton space have an argument buyers are actively receptive to this fall.

THE PRIVATE LABEL SURGE

Store brands reached a record 23.8% unit share of U.S. grocery at midyear. In convenience the phenomenon looks different, and for a supplier it is either the biggest threat on this list or the biggest opportunity, depending entirely on your manufacturing posture.

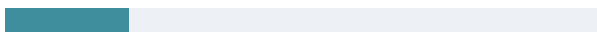
CHART 6 · STORE BRAND VS NATIONAL BRAND, U.S.

Private label unit share **23.8%**



Record high, midyear 2026

Private label dollar share **21.1%**



+0.3%

Private label unit sales,
first eight months 2026

-0.7%

National brand unit sales,
same period

Source: PLMA, citing Circana. Store brands outperformed national brands on units in seven of the year's first eight months.

Private label's national momentum is unambiguous, and it is no longer purely a price story: over half of shoppers say they trust store brands, and 59% of Gen Z report buying more of them than a year ago.

The convenience expression of this is broader than a value tier. Panel members describe retailers putting their own name on effectively everything in the store (napkins, straws, pizza boxes, paper bags, donut boxes) alongside proprietary sandwich lines and own-brand water. One panel member characterised the shift as the biggest branding boom in the channel this year, executed through specialist suppliers who private-label the whole customer-facing kit.

Read correctly, this is a manufacturing opportunity. A c-store chain cannot make its own sandwich, its own water, or its own protein bar. Someone does it for them.

The strategic fork. Emerging manufacturers now face a real choice: compete against the retailer's brand for a facing, or become the plant behind it. Co-manufacturing carries lower margin and lower marketing burden, and it buys a relationship with the buyer that a branded pitch alone rarely earns. Several of the fastest distribution gains our team saw this quarter came from brands that did both.

59%

of Gen Z shoppers report buying more private brands than a year ago, against 49% of shoppers overall, and 60% say a retailer's own brands are very or extremely important in choosing where to shop. Private label is now a traffic driver, not a margin backstop.

CONSOLIDATION TRACKER

Consolidation is running on both sides of the desk at once. Fewer distributors, fewer retail banners, and a store count that is falling even as sales rise.

\$26.0B

Convenience segment net sales at the largest U.S. convenience distributor in fiscal 2026, inside a \$67.8B parent.

-280

Net U.S. store count change, second consecutive annual decline, to 151,975. Fuel-selling stores rose 0.6%.

\$9.1B

Largest single fuel-and-convenience transaction of 2025, one of several that reset the ownership map.

SELECTED PUBLICLY REPORTED TRANSACTIONS · 2025 TO Q3 2026

DATE	TRANSACTION	WHY IT MATTERS
2025	Sunoco LP acquires Parkland Corporation, \$9.1B	Largest deal of the cycle; reset the North American fuel-retail map.
2025	Couche-Tard acquires GetGo Café + Markets, \$1.6B	A foodservice-forward banner bought explicitly for its food program.
Mar–Apr 2026	Casey's closes on 48 Circle K stores, Oklahoma City market	Part of Couche-Tard's divestiture of 355 North American sites after a strategic review.
Jun 2026	Core-Mark adds 1,034 ExtraMile locations to its network	From roughly 110 stores served. A single distributor relationship now covers a top-ten chain.
Jul–Aug 2026	Casey's continues rural tuck-ins, including Texas Panhandle sites	Fiscal 2027 plan is at least 120 new stores, split between M&A and new build.
Aug 2026	Sunoco expands distribution by 800-plus retail stations	M&A appetite among the largest operators has not slowed entering Q4.

The distributor picture. Above the regional tier, convenience distribution is effectively a two-company market. Below it sit strong regionals, one distributing since 1891 and serving more than 20,000 retail locations across 22 states. Panel members report major distributors continuing to acquire smaller houses, and operators pushing them to keep pace with fresh-food demand rather than the traditional packaged assortment.

The retailer picture. Analysts expect large operators to keep using acquisitions to expand footprint and improve operating leverage, partly to offset the long-term decline in fuel volumes. Rebranding an acquired unit can cost upward of \$1 million per store, most of it building out kitchens.

WHAT CONSOLIDATION COSTS A SMALL BRAND

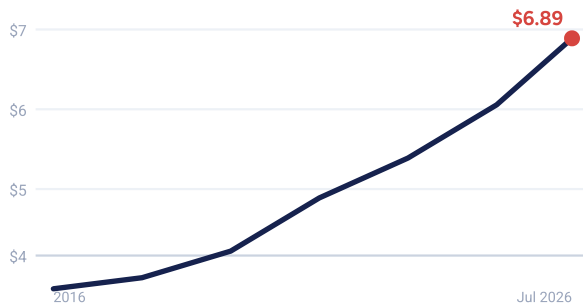
Fewer buying desks means each meeting carries more weight and a rejection closes more doors at once. It also means the regional distributor who once took a flyer on an unproven local item may not be independent next year. Relationships built at the regional tier need to be re-earned at the national one, before the acquisition, not after.

INPUT COSTS AND MARGIN

The protein boom and the protein cost crisis are the same story told from two sides of the plant.

CHART 7

Ground beef, average U.S. retail price per pound



BLS average price series APU0000703112, fresh regular 100% ground beef.
Indicative path between endpoints.

Beef and veal CPI ran 12.9% above the prior year in May, against 4.2% for all commodities. Ground beef reached \$6.89 a pound in July. The driver is structural: the U.S. beef cow herd contracted to its smallest size in decades after years of drought, and rebuilding a herd takes years, so supply cannot answer price quickly.

USDA's August outlook forecasts farm-level cattle prices up 9.9% for 2026 and wholesale beef up 9.4%, with wide intervals in both cases. There is no near-term relief priced in.

Panel members report meat-heavy manufacturers taking price accordingly, and describe fill-rate expectations (the 98%-plus threshold most chains enforce) as still difficult to hold consistently in the post-COVID supply environment. A brand that misses fill loses the facing regardless of how the item is selling.

The squeeze in one sentence. Protein is simultaneously the most demanded attribute in the channel and the most expensive input in the plant, and the retailer will not absorb the difference.

12.9%

Beef & veal CPI, YoY May 2026

9.9%

USDA 2026 forecast, farm-level cattle

4.2%

Store operating expense growth, 2025

\$21B+

Card fees paid by the industry, 2025

FIELD INTELLIGENCE PANEL

Structured debrief conducted 28 July 2026 with Align Sales Group brokers active across retailer, distributor and manufacturer accounts. Company and brand names are withheld; observations are reported as given. This is the qualitative layer of the Index and carries direct weight in three of the six components.

MANUFACTURERS

Still recovering post-COVID on fill rates, where the working requirement is 98% or better. Raw materials rising broadly; beef the sharpest. At least one major processor has taken price on beef products this quarter. New-item pipelines are protein-led: a leading bar brand has a 28–30 gram product scheduled for Q1 2027.

RETAILERS

Private label everywhere, and not only on food. Chains are branding napkins, straws, pizza boxes, paper bags and donut boxes alongside proprietary sandwich and water lines. The roller-grill-and-pizza model is falling away; operators are building differentiated menus, logos and packaging of their own.

SALES PRACTICE

AI is now embedded in day-to-day commercial work across the channel: email, sell sheets, advertising and category material. Adoption is broad rather than deep; the differentiator is no longer having the tools but having the relationships the tools cannot manufacture.

DISTRIBUTORS

Heavy consolidation, with major houses buying mid-size and smaller ones. Fresh food and foodservice are the growth lines. Operators want a genuine one-stop supplier, and distributors are being pulled into categories they did not historically carry in order to keep the account.

CONSUMERS AT THE SHELF

Parents are entering c-stores looking for healthier, made-to-order options rather than defaulting to candy. Better-for-you and fresh are pulling a demographic the channel has historically under-served. The category's junk-food reputation now lags its actual assortment.

TRADE SHOW READ

Consolidation in both retail and distribution was the dominant conversation on the floor this year. Protein and better-for-you dominated the product side, including healthier confection formats. Q4's national show is expected to set the tone for 2027 category reviews.

THE BUYING CALENDAR, AS PRACTITIONERS DESCRIBE IT

February through April is trade show season for distributors and retailers, and it is when they book product for the May-to-August selling window, the months when travel is highest and store traffic follows the weather.

Q1 is the annual trough. Health resolutions suppress tobacco and candy alike. March and April are when the diets end and promotional calendars for indulgence categories reopen.

The fall is the decision point. Many chains review a given category only once a year, and they assemble those sections in the autumn for the following calendar year.

PANEL HEADLINE

BE READY FOR 2027 BY THE FALL.

New items, pricing and promotions need to be complete and presentable now. Planograms for 2027 are being built this quarter.

IMPLICATIONS BY AUDIENCE

EMERGING MANUFACTURERS

Lead with the attribute, not the brand story. Protein grammage, clean oil, functional benefit and price-pack fit are what survive a review in a soft-demand quarter. A better-for-you item with a defensible number on the front of pack is being actively sought; a me-too flavour extension is not.

Treat fill rate as a commercial feature. At 98% expectations, supply reliability is the difference between a second year on the planogram and a delisting; and it is the single most common reason our brokers see promising items removed.

Consider co-manufacturing alongside your branded pitch. The private label boom is a demand signal for capacity, and it opens a buyer relationship that a branded proposal alone often will not.

RETAILERS & BUYERS

The three basket-anchor categories (packaged beverages, nicotine and beer) are where out-of-stocks cost the trip rather than the item. In a quarter of soft traffic, in-stock discipline in those three is worth more than incremental assortment anywhere else.

Nicotine's declining dollar contribution has to be replaced with profit, not just facings. Better-for-you and foodservice-adjacent items are the highest-probability substitution, and the freed backbar space is the most valuable real estate you will reallocate this year.

Prepared food is flat because QSR is winning the same trip. Value perception, not menu breadth, is where the recapture happens.

DISTRIBUTORS & WHOLESALERS

The cigarette-to-pouch mix shift is a revenue-per-case problem before it is a volume problem. Case growth can stay positive while segment revenue mix deteriorates, and the gap has to be closed on the fresh and foodservice side.

Operators increasingly want a single supplier for a widening basket. The regionals best positioned to stay independent are the ones already carrying fresh.

INVESTORS & ANALYSTS

The channel's headline growth number understates the divergence beneath it. Nominal inside sales growth of 1.7% against 3.0% food inflation, a shrinking store base and a 4.2% rise in operating expenses describe an industry improving unit economics through consolidation rather than expanding demand.

Foodservice capability is the differentiating asset, and it is capital-intensive: rebranding an acquired store can run past \$1 million, most of it kitchen. Operators without that capital will keep selling.

ACTION CHECKLIST FOR BRANDS

Ordered by deadline. Everything in the first block has to be finished before the fall category reviews close.

01 Now, before reviews close

- ✓ Complete the full 2027 program: new items, pricing, promotional calendar, trade spend. Buyers are assembling next year's sections now.
- ✓ Move your strongest functional claim to the front of pack. Grams of protein, oil type, and clean-label callouts are doing the selling.
- ✓ Confirm which of your target chains review your category only once a year, and when. Missing that window costs twelve months.
- ✓ Pressure-test your price against the sub-\$3 and sub-\$5 impulse thresholds. Confidence is at a seven-month low; the buyer is protecting those points.

02 This quarter: supply and proof

- ✓ Document your fill rate. If you cannot evidence 98%-plus, fix it before you pitch; it is the most common cause of delisting we see.
- ✓ Build a profit-per-facing case, not a sales case. Retailers reallocating declining nicotine space are underwriting margin, not volume.
- ✓ Model your protein input costs against USDA's 2026 forecast of roughly 9–10% farm-level cattle inflation, and decide your price move before the buyer asks.
- ✓ Get syndicated data on your set if you can afford it. Buyers increasingly expect a category argument, not a product argument.

03 Next twelve months: position

- ✓ Develop a foodservice-format version of your product. The kitchen is growing faster than the shelf it sits next to.
- ✓ Map your regional distributors against likely acquisition. Build the national relationship before your regional partner is absorbed.
- ✓ Evaluate co-manufacturing for retailer private label as a parallel revenue line and a route to the buyer.
- ✓ If you are in salty snacks, the unmet ask is a plain potato chip line, not another reinvention. Beef-tallow formats need six-month shelf life to clear distribution.

THE ONE THING

**SOFT DEMAND IS NOT
A CLOSED DOOR. IT IS
A SHORTER LINE AT AN
OPEN ONE.**

Retailers cutting underperformers in a weak quarter create more openings than they close, but only for suppliers who arrive with the program finished, the supply proven and the margin math done. That is a preparation problem, and preparation is the one variable a small manufacturer fully controls.

FORWARD CALENDAR

The convenience year runs on a fixed rhythm. Missing a window does not delay a launch by a month; it delays it by a planogram cycle.

OCT 6–9, 2026

Q4 · LAS VEGAS

NACS Show, Las Vegas Convention Center

The channel's largest annual gathering: roughly 25,000 attendees and 1,200-plus exhibitors across 420,000 square feet. Conference runs the 6th through the 9th, expo floor the 7th through the 9th. This is where 2027 assortment conversations are had in person. Next year's edition moves to Atlanta.

SEPT–NOV 2026

CRITICAL WINDOW

2027 planogram and category reviews

Retailers and distributors assemble next year's sections. Many chains review a given category only once annually. Programs presented after this window are effectively presented for 2028. The Convenience Distribution Business Exchange, held in September, is where much of the distributor-to-manufacturer matching for those sections happens.

JAN–MAR 2027

SEASONAL TROUGH

New-year health cycle

Tobacco and candy soften as resolutions take hold; better-for-you over-indexes. March and April are when indulgence promotions reopen as diets lapse. Plan promotional weight accordingly rather than fighting the calendar.

FEB–APR 2027

BOOKING SEASON

Distributor and retailer trade shows

The channel books the May-to-August selling window during these months, the peak travel season, when store traffic follows the weather. Sweets & Snacks moves to Indianapolis for 2027.

SPRING 2027

DATA RELEASE

NACS State of the Industry Summit

Full-year 2026 channel performance data is released here and forms the annual reset point for this Index's public inputs.

Next edition. The Q1 2027 Convenience Store Market Index publishes in April 2027 and will carry the channel's first quarter-over-quarter Index movement, a post-NACS read on 2027 assortment decisions, and the inaugural buyer sentiment survey results.

METHODOLOGY

We publish the construction because an index nobody can audit is an opinion with a decimal point.

WHAT THE INDEX MEASURES

The Align Convenience Index measures how favourable current conditions are for a consumer packaged goods manufacturer seeking to gain, hold and grow distribution in the U.S. convenience channel. It is not a measure of channel revenue, retailer profitability or equity value. Fifty is the neutral point: conditions neither help nor hinder.

CONSTRUCTION

Six components, each scored 0–100 and combined at fixed weights. Each component is scored by mapping its underlying indicators onto a common scale where 50 represents the long-run neutral condition for that indicator, then taking the judgement-weighted composite of those mapped indicators. Where an indicator has an established neutral reference (the 100 line on consumer confidence, zero real growth on sales) that reference anchors the mapping. Where none exists, the anchor is the trailing three-year channel norm.

WEIGHTS

Consumer Demand & Traffic 25% · Foodservice Momentum 20% · Better-For-You Velocity 15% · Nicotine Transition 15% · Channel Access 15% · Input Cost & Margin 10%. Weights are fixed for a minimum of four quarters. Any revision will be published alongside a restated back series.

BANDS

0–35 contracting · 35–45 soft · 45–55 neutral · 55–65 expanding · 65–100 strong.

THE QUALITATIVE LAYER

Each edition incorporates a structured debrief with Align Sales Group brokers active across retailer, distributor and manufacturer accounts. Panel input is captured on a fixed instrument covering market trends, distributor, retailer and manufacturer observations, competitive developments, trade show takeaways and forward recommendations. It carries direct weight in the Foodservice Momentum, Better-For-You Velocity and Channel Access components, and contextual weight elsewhere. The Q4 2026 edition debrief was conducted on 28 July 2026.

ANONYMISATION

Company, brand and retailer names arising from panel conversations are withheld and described by category and scale instead. Publicly reported transactions, published financial results and association data are named and cited, because they are matters of public record and their verifiability is the point.

KNOWN LIMITATIONS

This is the inaugural reading and has no prior-period comparison; we have not constructed a synthetic back series. Several public inputs are annual rather than quarterly, so within-quarter movement in those series is not captured. The panel is drawn from Align Sales Group's own account base and is Midwest-weighted, which will bias the qualitative layer toward that region's assortment and operator mix. Charts marked "indicative path" plot verified endpoints with a smoothed interior.

ROADMAP

From Q1 2027 the Index adds a quarterly buyer sentiment survey of convenience category buyers and brokers, targeting 100–300 responses, and anonymised aggregate submission data from participating manufacturers. Both will be disclosed as new components with their weights published before first use.

CORRECTIONS POLICY

Errors of fact are corrected in the online edition within two business days of verification and noted in the following quarterly edition. Corrections are never made silently. To report one, or to request the component workings behind any reading in this report, write to the address on the following page.

SOURCES AND DEFINITIONS

CHANNEL DATA

NACS, State of the Industry data for 2025, released April 2026: inside sales, foodservice share, category performance, transaction share, operating expenses, employment.

NACS / NIQ TDLinx Convenience Industry Store Count, 2026 edition.

NACS Magazine, 2026 State of the Industry Summit coverage, June 2026.

MACROECONOMIC DATA

The Conference Board, Consumer Confidence Index, August 2026 release.

U.S. Bureau of Labor Statistics, Consumer Price Index and Average Price series APU0000703112.

USDA Economic Research Service, Food Price Outlook, August 2026.

PRIVATE LABEL

Private Label Manufacturers Association, midyear 2026 report, citing Circana.

Circana, private brand share reporting, 2026.

FMI, The Food Industry Association, The Power of Private Brands 2026.

CONSOLIDATION AND DISTRIBUTION

Performance Food Group, fiscal 2026 quarterly and full-year results, SEC Form 8-K filings.

CSP Daily News and C-Store Dive M&A reporting, 2025–2026.

CoBank Knowledge Exchange, C-store M&A research brief.

Morningstar DBRS, 2026 sector outlook commentary.

PRIMARY RESEARCH

Align Sales Group broker panel debrief, 28 July 2026. Primary researchers: Bryan Drangin and Amanda Drangin.

DEFINITIONS

Inside sales: foodservice and merchandise sales, excluding fuel.

Foodservice: prepared food, commissary food, and hot, cold and frozen dispensed beverages combined.

Alternative snacks: the NACS category containing jerky, meat snacks, seeds and nuts.

Modern oral: nicotine pouches and similar spitless oral formats, distinct from traditional smokeless tobacco.

OTP: other tobacco products; nicotine categories other than cigarettes.

Fill rate: the share of ordered units a manufacturer actually delivers. Most chains work to a 98%-plus requirement.

Planogram: the shelf layout specifying which items occupy which facings in a category.

Category review: the periodic process in which a retailer re-evaluates an entire category's assortment. In much of this channel it happens once a year.

Private label: products sold under a retailer's own brand, manufactured by a third party.

GLP-1: glucagon-like peptide-1 receptor agonists, the drug class behind widely used weight-management medications; associated with reduced total intake and higher protein prioritisation.

USE AND CITATION

Journalists, analysts and industry participants are welcome to cite this report with attribution to the Align Sales Group Convenience Store Market Index, Q4 2026. Charts may be reproduced with the source line intact. For interviews, underlying component workings, or advance access to the next edition, contact us on the following page.



GREAT PRODUCTS DON'T MAKE GREAT SALES. GREAT REPRESENTATION DOES.

Align Sales Group is a Midwest convenience-store and CPG food broker. We help emerging food and beverage manufacturers get onto convenience-store shelves and sell through, with full broker services, product marketing, and The Convenience-Store Success Blueprint course.

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