

Fruit & Veg City enters the forecourt convenience fray

Welcome to Freshstop at Caltex

BY ANELLE HAMILTON

A new retail partnership between Caltex and Fruit & Veg City looks set to increase the already intense competition in the forecourt convenience market. Four Caltex service stations in the Western Cape will convert their existing StarMart convenience stores into Fruit & Veg City's new convenience format, Freshstop. The first Freshstop at Caltex opened at the Caltex service station in Gie



The outside of the new Freshstop at Caltex in Parklands, Cape Town.

Road, Parklands on 5 February, as part of an initial pilot programme that will be used to test customer response to the partnership. The pilot also includes three other sites -

Ravensview (also in Parklands), Melkbosstrand and Marine Drive, Milnerton.

Chevron South Africa says it identified the Fruit & Veg City group as a potential convenience alliance partner, saying that Fruit & Veg City's extensive supply chain capability, franchise expertise, category knowledge and brand values made it the ideal fit for Caltex.

The Freshstop stores will feature a variety of departments and products that will focus on the increasing demands of time-conscious consumers. These will be complemented by stylish and modern interiors to enhance the shopping experience.

Since its inception in 1993, Fruit & Veg City has grown its operation to more than 100 outlets countrywide, as well as launching its Food Lover's Market concept, which caters to upmarket shoppers. Many elements of the



The inside of the store, which features a variety of departments and products that focus on the increasing demands of time-conscious consumers. These are complemented by modern interiors to enhance the shopping experience.

Food Lover's Market concept have influenced the category offers, layout and design of the Freshstop format.

"The convenience store format is a new challenge for us, but we are extremely excited to be moving into the retail category. Research has shown that shoppers worldwide are looking for fresh and healthy alternatives with more convenience, so this is the perfect opportunity for us to tap into an area with huge potential for growth. We are looking forward to a strong and mutually beneficial partnership with Chevron," says Fruit & Veg City CEO Brian Coppin, who introduced the new concept to delegates on 3 February at the Insight/NACS Convenience Africa Summit 2009, which was hosted by the Retail Management Forum (RMF).

The Freshstop format

Coppin says that fresh produce will make up approximately 30% of the product mix, while the stores will vary in size, between 90m² and 150m². Trading hours are 24 hours a day, seven days a week. The franchise will be available to all Caltex retailers in due course.

Carlton Dallas, Chevron's global marketing support manager for Africa, Europe and Pakistan, says, "It is time that our Caltex fuel brand is supplemented by an equally



Fresh produce makes up 30% of the product mix in the store.

attractive high-end convenience offer. Following a global review of many

international retailers, we found that the South African public desires a very specific store offer, which influenced our decision to go local and select a truly South African company with existing appeal to our fuel customers. We really like the fact that the Freshstop brand is young, innovative and exciting and will challenge the existing South African convenience mindset. We have been impressed by the creativity and enthusiasm of the Fruit & Veg City group and we believe that the quality produce and wholesome image fits well with the Caltex brand."

Meanwhile, Gie Road Freshstop store manager Neville Van Greenen says that the outlet has been a hive of activity since the opening day. "Feedback from our customers shows that they are very impressed with our mix of products, as well as the attractive interior of the store."

Van Greenen says the customer mix is varied, while foot traffic peaks in the early mornings, at lunch times and in the early evenings. "Our promotional items have been doing very well and we will run special prices on selected items for the next few weeks. So far, so good!" ■



Today's time-pressed customers can pop in for essentials when visiting Freshstop at Caltex.