



The power of digitalisation: How connectivity is a key advantage for tomorrow's forecourts

Digitalised forecourts increase operational efficiency, reduce costs, and establish loyalty with their customers, who are more than ever at the centre of decision-making. In the age of electric vehicles and new services, TSG highlights the importance of digital tools for service stations at three different dimensions, empowering fuel retailers to create versatile mobility hubs and thrive in this challenging landscape.



Service stations have long been resilient to the challenges they face. Before the Covid-19 pandemic, businesses were dealing with changing customer behaviour and the rise of alternative energy. Now forecourts are coping with an even bigger and faster shift from the traditional fuel business.

EVs remove the exclusivity of refilling from forecourts, pushing retailers to reinvent their roles and introduce new elements to generate profit. The need to install chargers and attract EV drivers opens the way to other relevant types of services. As charging an electric car takes time, service stations

are increasingly becoming more and more a destination for adjacent products and offers, transforming themselves into mobility hubs. As part of this diversification strategy, car wash facilities – such as self-service vacuum cleaners – and restaurants are some of the extra conveniences appearing on forecourts. Stations are also relying on a multichannel sales strategy, embracing options such as website, preorder and in-app orders. Indeed, owners face the challenge to manage all the station's different elements to optimise site operations and ensure customer satisfaction.

This is just the tip of the iceberg in terms of opportunities. While shifts are always challenging, they also present a number of possibilities for fuel retailers. In a more digitalised world, with customers that rely on electronic devices for basic activities, forecourts are also expected to offer the latest, improved possibilities when it comes to payment methods and loyalty programs, as shown by **KPMG**. With this in mind, stations should accelerate their adoption of digital tools to support their operations and become a one-stop-shop that will keep their businesses futureproof.

How digital tools can impact forecourts: the three dimensions of connectivity

Although digitalisation in the fuel retail industry is slowly taking place, it has the potential to create operational efficiencies, improve the knowledge of customer needs, and save costs, **KPMG** also shows. There are three main areas where forecourts can thrive with the help of connected tools, positively impacting business owners and customers: core services, additional services, and customer loyalty.

Connecting all the fundamentals

The first dimension covers the core services or operations of the forecourt. Most service stations count on elemental and specific systems to operate their essential activities: forecourt monitoring – including wet stock levels, leak detection, security cameras, and overall safety at the station –, sales, and payment. Innovative digital services can seamlessly connect these elements and provide a comprehensive view of the entire forecourt operation. The upgrade also leads to having a single point of contact from where managers can, in person or remotely, control the station, improving the management of fuel levels, any spillages, sales operations and payment transactions.



Interface overview | © TSG

In the first area, performing basic operations such as wet stock management are automated. By adapting to digital systems, forecourts can rely on the automated replenishment of wet stocks, based on either stock levels or sales history. They also benefit from real-time, always-available data on pumps, tanks, and store inventory, and can use a single POS system to control all the equipment available at the station.

The customer experience is also improved: with more connectivity, forecourts can meet their visitors'

expectations of convenience and innovation. Digital tools support forecourts in establishing a smooth customer journey, as the KPMG report shows. Mobile and app payments provide a quicker, safe shopping experience, and are a valuable asset to forecourt retailers. These means give them an individualised channel to interact with customers and launch promotions on the spot, increasing loyalty and supporting a better understanding of consumers' behaviour.

Moreover, a digitalised infrastructure improves the efficiency of operations while allowing drivers to perform the tasks they need to move on with their journey, such as rapidly refilling or easily paying for fuel, adding to the expected convenience. An interconnected triad of vital activities can then support forecourt owners who want to move one step further in offering adjacent services and new retail experiences to a more demanding clientele.

Introducing additional services at the station

As alternative and responsible fuel options begin to take a significant share of the market, service stations no longer hold the energy monopoly. In fact, **NTT Data** points out that the challenge of service stations is to remain relevant to customers who now can get their cars' energy elsewhere – especially when thinking about EVs (electric vehicles). EV sales **broke a new record in the European Union** (EU) in 2022, with greener cars accounting for more than half of the EU car market in the last quarter of the year.

To keep up with the non-exclusivity, forecourts need to reinvent and evolve to attract customers, diversifying and expanding their offerings with new products and services and a revamped proposition.



At first glance, this may lead forecourt owners to think that they should install electric chargers, but this is only the most visible adaptation. Shops can be revolutionised with a contemporary value proposition, products that go beyond basic food and drinks, pick-up points, and even more complex businesses that were previously unthinkable at service stations, such as sit-down restaurants, or gyms. All of these new businesses and changes can attract new customers and retain the established ones.

Self-service check-outs, which started to pop up in other retail sectors, are another good addition to forecourts. They bring advantages to station owners and managers, while also representing a good added-value service to customers. From an operational view, self-checkouts help stations deal with the lack of staff while optimising the tasks at the shop so employees can perform other activities, management or customer experience related. From the client's perspective, it is an improvement of the journey, with an autonomous and quick way of proceeding to payment.

If the station has other offers for customers, or if it plans to make several elements available for them, connected systems support better management of all offerings. In this second dimension of digitalisation, connectivity provides a better overview of what is happening at the forecourt and the shop, and optimises the customer journey such as by including a relevant service offer, modern payment options and quick self-checkout possibilities. Moreover, customers look for faster, easier, and safer ways of paying for their services, and digitalisation supports multiple payment methods from debit and credit cards to mobile payment.

With more choice and a more convenient consumer journey, managers can monitor all the operations and gather data from usage and consumption to inform their future strategies. At the same time, for customers, stations become true hubs where they can tick off several tasks before continuing their rides.

Building loyal customer relationships

There is no single answer for fuel retailers to stay in business. But as a **Boston Consulting Group report** outlines, one factor is critical to their success: customer centricity. One way to do this is through loyalty and personalisation programmes.

More digitalised forecourts make it easier and more effective to execute customer retention strategies. They represent the third connectivity dimension. Connected stations gather data from customers – what they buy, how they pay, what products they want, and what kind of services they are willing to try. This knowledge supports business owners in understanding what clients are expecting from the service station and gives insights into new elements to offer.

With loyalty cards or apps, customers create personal accounts that will accumulate points or vouchers with each purchase. The forecourt system will then store in these accounts whatever items the client bought, making it possible to promote cross-selling with previously acquired goods. Loyalty programmes allow retailers to interact with customers while learning their habits and gathering data

that will support forecourt and shop operations, generating more sales at the same time as providing benefits – discounts, coupons – to customers, allowing them to see extra value in coming back to that retailer.



In addition, while it is necessary to attract customers with more energy options or enhanced services, it is retaining these customers that makes a difference. Digitalised operations make it easier to set up and manage loyalty programs, which can combine both traditional offers and adjacent ones. For example, offering a discount in a car wash after refilling the vehicle is a loyalty possibility that can be manually done with paper vouchers – but once the systems are connected, managers have a better overview of how frequently customers wash their vehicles, or under what circumstances they combine their purchases. From a customer journey perspective, it is also easier for clients to see which benefits they get when often visiting the station, which contributes to increasing their stopovers.

Distinct solutions permit forecourts to operate their personalisation schemes. Offline loyalty uses databases to store customer purchase data and third-party hosts to process them. A more powerful alternative, online loyalty counts on cloud-based solutions that instantly collect the transaction information and show customers the benefits they get with that buy. Regardless of the chosen option, forecourts rely on digital systems that connect their POS system to their loyalty counterparts, assimilate payment transactions and technically make all operations available.



"Loyalty combines all different aspects from a forecourt: traditional fuel, new energies, car wash, every aspect of this environment can be managed with the customer at the centre," says Steven Mertens, Group Systems Director at TSG. "Digitalisation helps station owners to better engage with their customer base, meet their needs and retain them. At the same time, customers can enjoy the benefits of purchasing energy or items at the station with special prices or conditions and increase their loyalty to it."

TSG develops and delivers all forecourt connections

TSG provides a wide range of innovative business systems to enhance the core activities of the station, ensuring smooth control of the forecourt elements, point of sale and payment environment. As the European leader in technical services for responsible mobility solutions, TSG delivers infrastructure that enables new energy options, and adjacent services to shift the role of service stations and transform them into mobility hubs. Our portfolio includes all the necessary tools to provide the connectivity your forecourt needs to maintain its competitive advantage in the future, including the latest payment possibilities and the technical expertise to bring your loyalty programme to life.

Find out how you can better connect your forecourt by [contacting TSG](#).

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