

Flyers Energy

Better, Faster Pricing Improves Volume and Margins



Flyers Energy is the fuel supplier for

more than 150 Chevron, Shell, Valero, and 76 branded stations and also offers commercial fueling at 230,000 retail gas stations and commercial fueling facilities nationwide with the Flyers Fleet Card.

In order to be competitive, Flyers needed greater control over their retail fuel pricing strategy. Bogged down by manual processes, spotty communications between the pricing manager and stores, and delayed price changes it was apparent that streamlining processes would improve both volumes and margins.

By adopting PriceAdvantage, Flyers can now:

- Easily establish business rules for each store and specific commodities.
- View multiple pricing options to effectively manage their volume strategy.
- Automatically send new prices to stores and POS systems (removing manual work).
- Easily change prices several times per day to capitalize on market conditions.
- Quickly evaluate real-time store performance against goals and historical data.

FLYERS streamlined processes to improve both **VOLUMES** and **MARGINS**.

"PriceAdvantage enables Flyers to make
BETTER PRICING DECISIONS FASTER AND TAKE ADVANTAGE
of market opportunities due to strategic timing of pricing."

Tom DiMercurio
Flyers CFO

50+

Locations Use PriceAdvantage



Price Changes Made In Just Minutes

REDUCING MANUAL PROCESSES AND DELAYS PRODUCES REAL ROI

Prior to adopting PriceAdvantage, store managers utilized a back office system to input competitive price surveys. Once the data was received at headquarters, an electronic report was sent to the pricing manager who then, upon establishing new prices, would either call or email new price changes to each store individually. The entire process could take 30 minutes – or days – for each store and the pricing manager could not always rely on the verbal price change confirmations of store personnel.

Flyers selected PriceAdvantage as their solution partner in 2012 to help improve their speed-to-market and streamline retail fuel pricing processes. Tom DiMercurio, Flyer's CFO, notes that PriceAdvantage has reduced manual processes, errors, and delays and that the investment has also proven to help Flyers increase volumes and improve margins. "PriceAdvantage pays for itself just from an operational perspective," he states.

*"We have been able to
increase volumes and gross profit dollars
by being more proactive and timely.*

Tom DiMercurio, Flyers CFO

RAPID IMPLEMENTATION, EASY INTEGRATION

Flyers was up and running in just weeks upon selecting PriceAdvantage. They were able to leverage existing investments in VeriFone Point of Sale and PDI\Enterprise accounting suite through PriceAdvantage's pre-built integrations and also avoided additional hardware investments by selecting the PriceAdvantage SaaS solution. Additionally, if Flyers decides to upgrade or replace existing systems in the future the transition with PriceAdvantage is completely seamless - and PriceAdvantage upgrades take just minutes. DiMercurio emphasizes the personal approach from the PriceAdvantage team, "PriceAdvantage frequently reaches out to us for feedback and has used our recommendations when adding enhancements to the product. That's great customer service."

PRICING STRATEGIES FOR EACH STORE AND COMMODITY

PriceAdvantage provides Flyers the freedom to exercise their proprietary fuel pricing strategy across their entire retail fuel business. This includes controlling pre-defined pricing strategies for each store and fuel type. Flyers can also maintain different cash/credit as well as product spreads based on geography and brand. The system continually notifies the pricing manager of suggested price changes which is tempered against other exception-based factors. Additionally, the fuel pricing team utilizes the economic modeling component to forecast how raising or lowering prices by just one cent can impact volumes, margins, and profitability. PriceAdvantage blends the art and science of fuel pricing by presenting a single, comprehensive view of pricing data that includes current price alongside the suggested economic model, strategy, and competitor prices – allowing Flyers maximum flexibility on final pricing decisions.

VOLUME IS KEY TO PROFITABILITY

Flyers is focused on protecting and increasing volume. PriceAdvantage provides DiMercurio with the robust data required to make informed pricing decisions to help the company meet their goals. Flyers continually monitors all fuel tank levels with an in-house tool and also updates PriceAdvantage daily with actual sales and cost data from PDI/Enterprise. The pricing manager can then modify prices based on both real-time and historical information. "Volume is a key to profitability, and we go to great lengths to maintain and grow our volume. PriceAdvantage allows us to view multiple pricing options to effectively manage our target volume strategy," he says.

FASTER PRICING HELPS IMPROVE GROSS PROFITS

Prior to using PriceAdvantage, the fuel pricing manager would send new prices to store managers via a phone call or email with little knowledge if the price changes were made that same day or even up to two days later. Now the fuel pricing manager can push new fuel prices directly to each branded store's POS and pumps in just minutes – allowing Flyers to adjust prices as often as needed. The system also facilitates a fuel price sign change confirmation process – reminding store managers that the task needs to be completed and notifying the pricing manager once it has been done. Now Flyers can quickly respond to competitive price changes and overall market volatility with confidence.

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PriceAdvantage.com