




# DYNAMIC, DAY-PART FUEL PRICING

The execution of scheduled fuel price changes during set windows of time throughout the day.



In January 2017, a group of fuel marketing industry experts conducted research into the emerging trend of scheduled day-part pricing strategies. More than 130 global fuel marketers provided valuable insight into how they are – or are not – executing this strategic pricing strategy.

**What is day-part pricing?** It is the execution of scheduled fuel price changes during set windows of time throughout the day, sometimes referred to as dynamic pricing. For example, retailers are learning how to maximize margins or drive volumes based on specific day parts. Some retailers might focus on capturing margins during the morning while focusing on holding volumes in the afternoon. Or, they might price fuel competitively on a Friday afternoon to boost in-store sales of snack foods, tobacco, or alcohol.

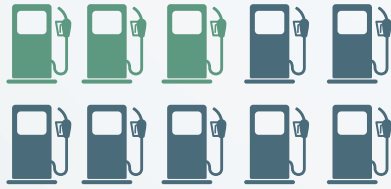
The research survey revealed insights into who is conducting day-part pricing, how often they change prices, the price change amounts, and markets/days where this strategy is most effective. Additionally, one-on-one interviews provided deeper insight into how retailers establish fuel pricing strategies to support specific fuel goals – and how they measure success.

- NEW**  
Day-Part pricing is relatively new within fuel marketing.
- Innovators are leading the effort.**
- Technology is a key enabler for speed and flexibility.**
- It is shown to help drive profits!**

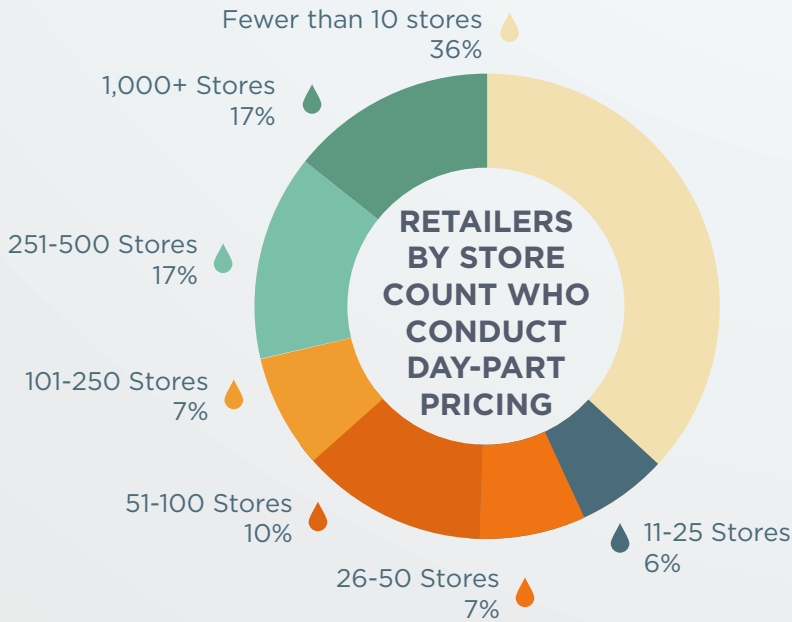
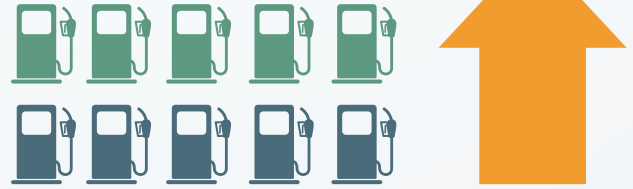
# FINDINGS

3  
10

30% OF RETAILERS POLLED ACTIVELY USE DAY-PART PRICING



50% OF RETAILERS WHO USE FUEL PRICING SOFTWARE ACTIVELY USE DAY-PART PRICING



**M** **Th** **F** MOST COMMON DAYS



2¢ AVERAGE CHANGE

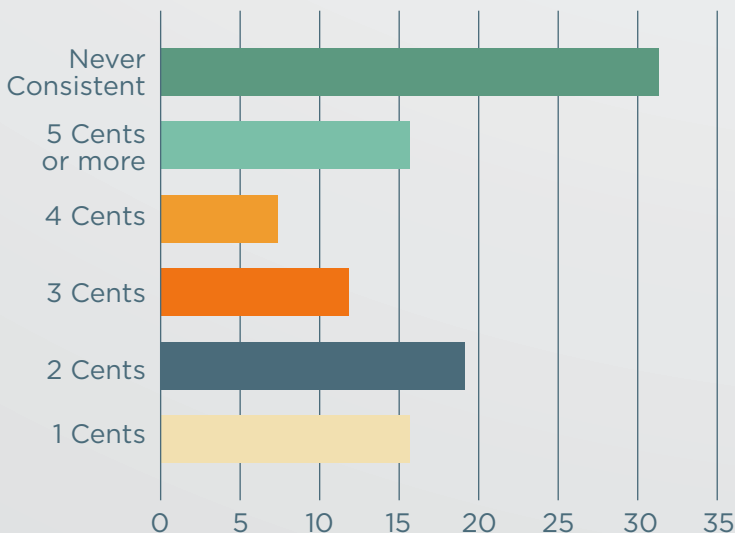
**X2**

38% CHANGE PRICE TWICE DAILY

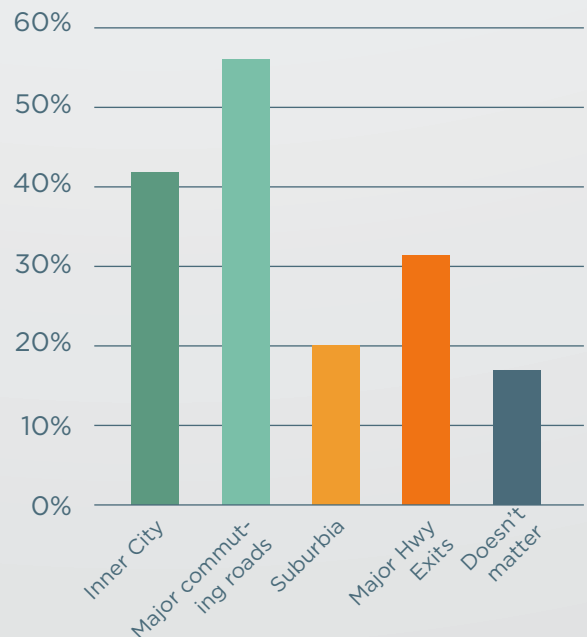


64% SAY SHIFTS MAY GO UP OR DOWN BASED ON GOALS

## AVERAGE DAY-PART PRICE CHANGES

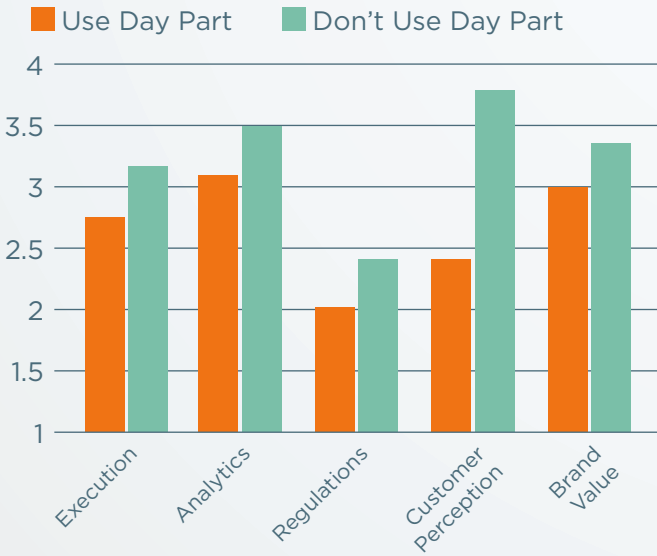


## MOST EFFECTIVE SITES FOR DAY-PART STRATEGY



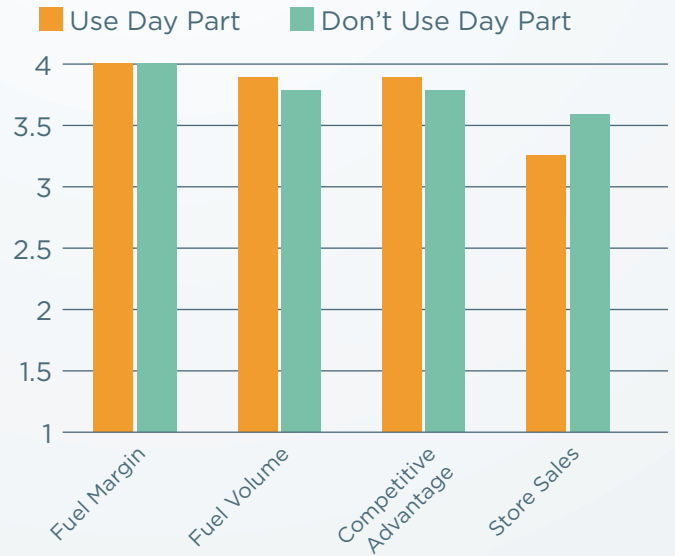
## PERCEIVED CHALLENGES

Importance — 1 (lowest) to 5 (highest)



## PERCEIVED BENEFITS

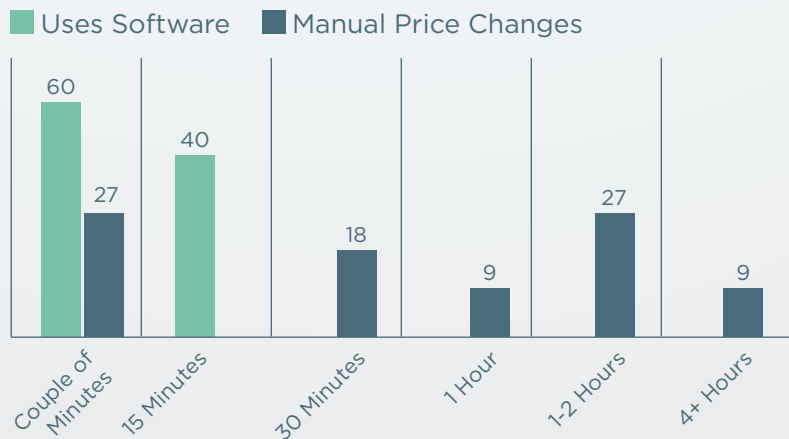
Importance — 1 (lowest) to 5 (highest)



PRICEADVANTAGE CUSTOMERS  
EXECUTE PRICE CHANGES  
**FASTER**

## SPEED OF PRICE CHANGES

Retailers using software execute price changes faster



### WHAT ONE RETAILER IS DOING

- Uses PriceAdvantage Software
- U.S. Retailer
- Private Brand
- 500+ stores

*"If you aren't doing this - you are leaving a lot of volumes, margins, and in-store sales on the table."*

- Schedules four price changes per day.
- For one specific location, goal is to capture margins in morning and volume during late afternoon.
- Monitors real-time volumes with Telepoint.
- Leverages OPIS, store surveys, and competitor mobile apps/websites to gather competitor prices.
- Executes price changes using PriceAdvantage from cell phone.



**THE #1 GOAL TO ACHIEVE MARGIN TARGETS**