




# 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.

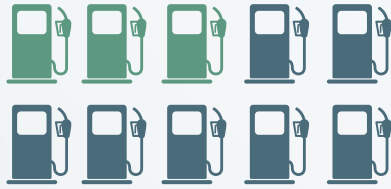


It is shown  
to help drive  
profits!

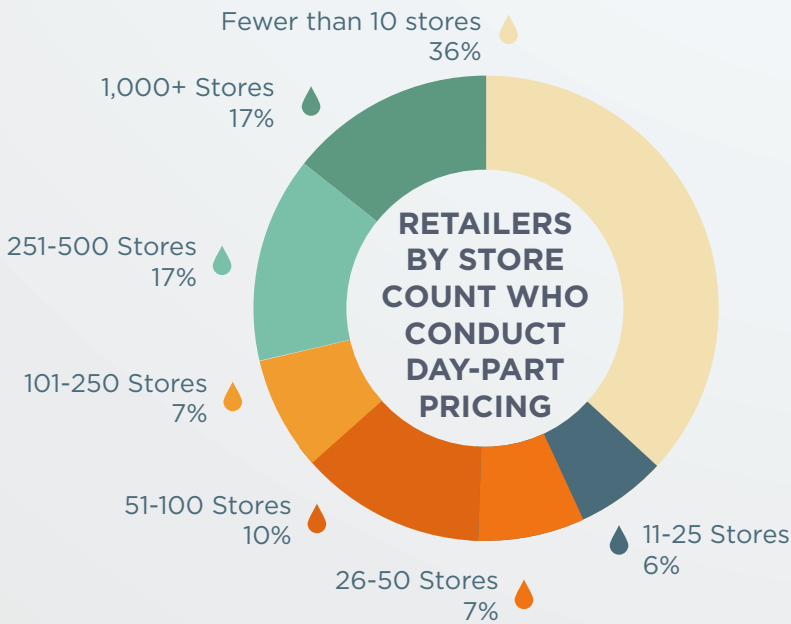
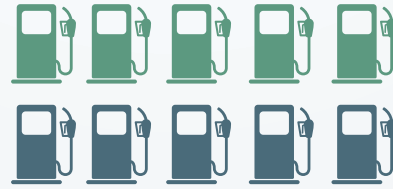
# FINDINGS

3  
10

30% OF RETAILERS  
POLLED ACTIVELY USE  
DAY-PART PRICING



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



**MOST COMMON DAYS**



**2¢ AVERAGE CHANGE**

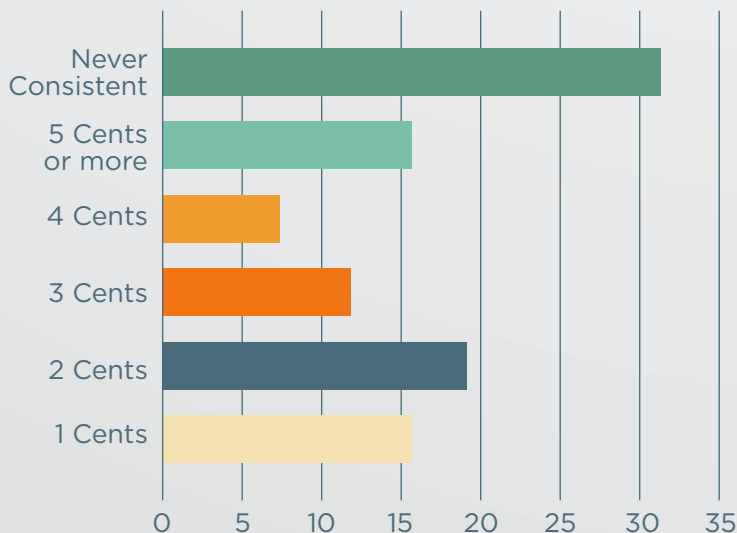
**X2**

**38% CHANGE PRICE  
TWICE DAILY**

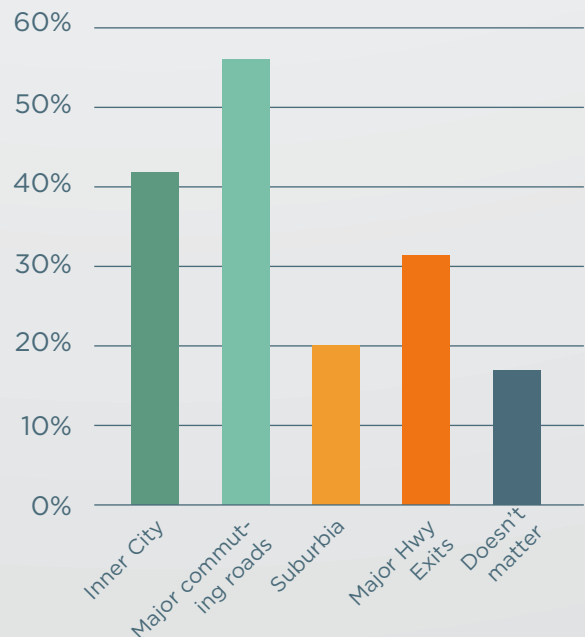


**64% SAY SHIFTS MAY  
GO UP OR DOWN  
BASED ON GOALS**

## AVERAGE DAY-PART PRICE CHANGES

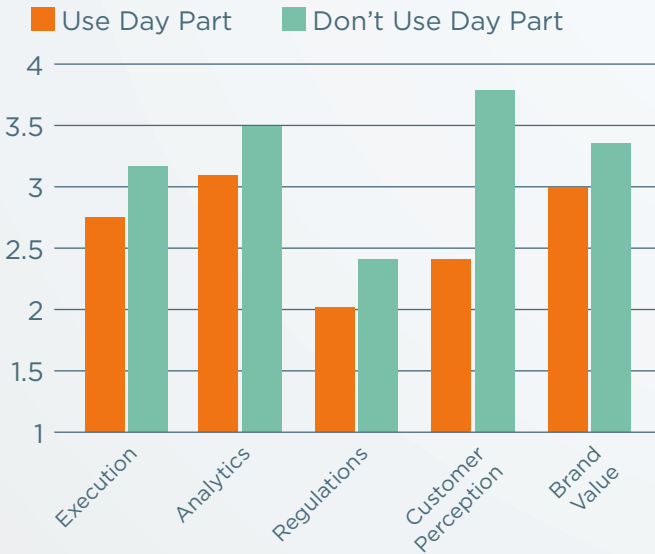


## MOST EFFECTIVE SITES FOR DAY-PART STRATEGY



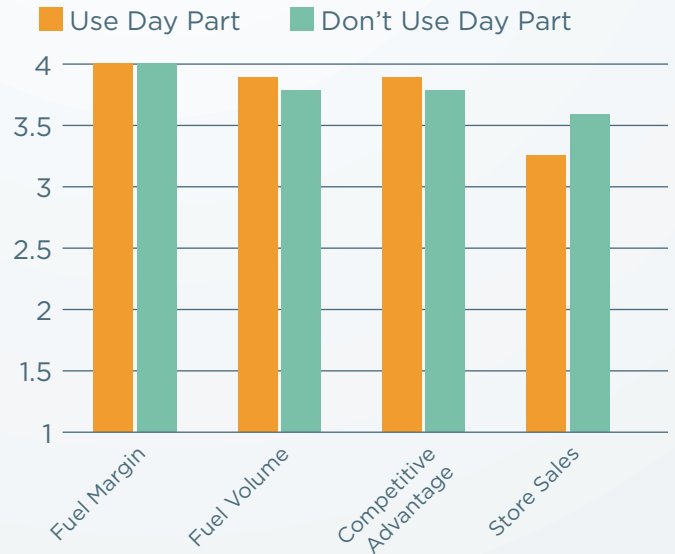
## PERCEIVED CHALLENGES

Importance — 1 (lowest) to 5 (highest)



## PERCEIVED BENEFITS

Importance — 1 (lowest) to 5 (highest)

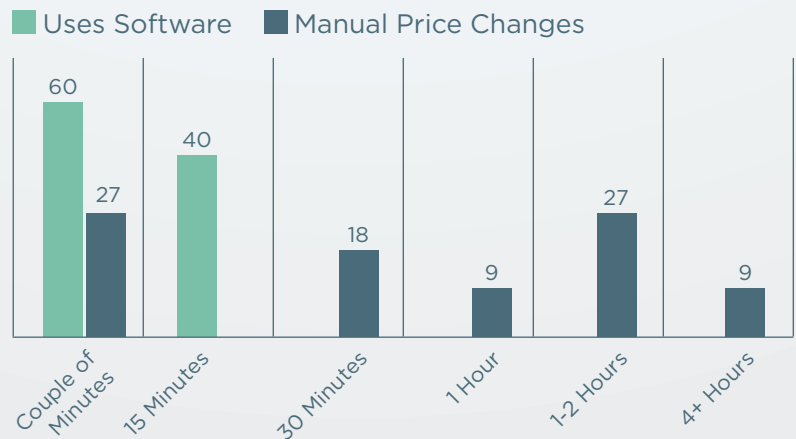


PRICEADVANTAGE CUSTOMERS  
EXECUTE PRICE CHANGES

**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 Engage3, 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**