

Rutter's: Embracing Technology to Optimize Fuel Prices and Streamline Price Changes

Rutter's is the oldest vertically integrated food company in the U.S. In 1683, the Rutter family – farmers from Germany – settled in Pennsylvania. In 1747, the family acquired 167 acres of farmland in York, Pa., which remains the site of the Rutter's headquarters today. The Rutter's Dairy business began in 1921, and the first Rutter's Farm Store opened in 1968.

In 2019, the convenience store chain turned 50 and now operates 78 stores throughout Pennsylvania, West Virginia, and Maryland. The company is recognized as an industry leader with the latest advancements in technology, sustainability, consumer marketing, and philanthropy.

Rutter's continuously evaluates technology solutions to enhance both internal operations and the customer experience. This led them to install Skyline LED price signs in 2004 and implement PriceAdvantage in 2010.

Managing Fuel Prices During the 2020 Pandemic

Chris Hartman marks the 11th generation to join the family business. As the Director of Fuels and Forecourt, he oversees the procurement and retail of all fuel products for Rutter's c-stores. He manages the forecourt experience – including managing retail fuel pricing.

During the 2020 pandemic, Rutter's, like all fuel retailers, dealt with extraordinary, day-to-day operational hurdles. They had to ensure that both customers and employees were safe, manage in-store inventory demands, and address volatile fuel costs, margins, and decreased volumes.

PriceAdvantage provided Chris the ability to manage fuel prices and execute price changes anytime – from anywhere - using a laptop or mobile app.

Fuel Price Optimization

PriceAdvantage seamlessly integrates with Rutter's existing technologies, including PDI back-office software. The PDI integration allows PriceAdvantage to easily import and aggregate all of the critical fuel pricing data - such as replacement costs, volumes, and monthly targets. Store employees can enter competitor price surveys directly into PriceAdvantage, which reminds store employees when surveys are due and alerts them when surveys are late. PriceAdvantage then optimizes fuel prices based on the pricing strategies and goals Chris established within the software.

Case Study



Rutter's selected PriceAdvantage to achieve three main goals:

- ▶ Optimize fuel prices to increase fuel margins and gross fuel profits
- ▶ Automatically execute price changes to the point-of-sale, pumps, and price signs
- ▶ Communicate prices to the GasBuddy and Rutter's loyalty mobile apps



Chris Hartman
Director of Fuels and Forecourt
Rutter's
78 Stores - PA, WV, MD

"Being able to **remotely change prices**, with little to no human assistance needed, is vital to maintaining our business - and during the 2020 pandemic, this **automation was even more critical**," Chris imparted. "Not having to worry about the logistical side of changing fuel prices allows me to coordinate my time appropriately."

Fuel Price Optimization - Continued

"I establish pricing rules for our stores within PriceAdvantage – including considerations for competitors, desired margins, etc.," shared Chris. "I look at PriceAdvantage each morning, and throughout the day, to review all of our stores and ensure we are priced appropriately. Using PriceAdvantage, I am able to quickly react to market movement at my desk and on my mobile phone."

"If our sign is not working, or incorrect, we need to know so that customers don't see a wrong price or think we're closed."

Chris Hartman, DIRECTOR OF FUELS AND FORECOURT, RUTTER'S

Price Change Execution and Price Change Confirmation

PriceAdvantage enables Chris to make rapid, informed fuel pricing decisions based on the proposed, optimized prices within PriceAdvantage. He can quickly review, approve, and automatically post new prices to the NCR Radiant and Comdata Trendar point-of-sale (POS) systems, fuel pumps and price signs, and then receive price change confirmation – all in just minutes.

The confirmation provides Chris confidence that prices were indeed updated correctly and, if desired, he can even look at the associated timestamp.

Updating GasBuddy Business Pages and Rutter's Loyalty Mobile Apps

The PriceAdvantage integration with GasBuddy ensures that consumers view the most recent and accurate Rutter's fuel prices on the GasBuddy platform by communicating Rutter's current fuel prices as often as every fifteen minutes directly to GasBuddy. It puts public-facing prices in the control of Rutter's, rather than have Rutter's rely on crowd-sourced prices – which can be old or inaccurate.

Additionally, PriceAdvantage communicates current prices directly to the Rutter's customer loyalty mobile app. Both of these automatic updates remove manual processes that can cause delays and errors – affording the Rutter's team valuable time to focus on other tasks.

Business Intelligence and Analytics

PriceAdvantage provides robust reports and analytics, including detailed information on Rutter's volumes, price history, profits, and costs.

Like many fuel retailers, Rutter's also leverages third-party business intelligence tools to analyze fuel sales as well as correlate fuel performance to the company's overall performance. Rutter's can extract this data from PriceAdvantage via standard reports or through the PriceAdvantage API.

The Sign of Success

Rutter's utilizes electronic fuel price signs from Skyline Products, the parent company of PriceAdvantage, to leverage the industry-exclusive communications between PriceAdvantage and Skyline price signs. The unique integration allows Chris to receive an automatic confirmation that the price changed successfully and is displayed correctly on the price sign – even from his cell phone.

"We are in a very competitive fuel market. If our sign is not working, or incorrect, we need to know so that customers don't see a wrong price or think we're closed," shared Chris. "Also, PriceAdvantage ensures that the price change process prevents us from having a posted sign price that is lower than the pump price. The combination of PriceAdvantage and Skyline price signs mitigates these issues."

Additionally, PriceAdvantage Sign Diagnostics allows the Rutter's facilities team to view the current health status of all their Skyline price signs. The Rutter's facilities team can pull detailed diagnostic information from any Skyline sign – making sign maintenance faster, more efficient, and less expensive.

