W. CAPRA | The Sweet Smell of Success

CASE STUDY

Growing Sales and Profit Through Smarter Pricing

Merchandise and Foodservice Price Optimization for a Leading C-Store Chain





About the Company:

A Midwestern convenience chain with over 2,100 stores across 16 states

Situation

Creating a More Strategic Approach to Merchandise and Foodservice Pricing



The c-store chain was currently in aggressive growth mode. Its strategy included disciplined store additions, strategic acquisitions, and increasing same store sales. As part of its Value Creation Plan, the company had identified merchandise and foodservice price optimization as one of its key initiatives to enhance store performance and unlock shareholder value.

A main area of focus was price optimization initiatives for merchandise and foodservice. They sought guidance from W. Capra to develop a pricing strategy, source effective technology solutions, and create the organizational structure to meet their current and long-term goals

Key Issues

- Opportunity to strengthen merchandise and foodservice pricing strategy
- Need for the right technology to support more data-driven pricing
- Organizational structure needed to support pricing optimization at scale

As part of its broader growth strategy,

→ the retailer identified **price optimization as a key value creation initiative**.

W. Capra, LLC. – © All Rights Reserved

Solution

Evaluated merchandise and foodservice price optimization environment and provided pricing framework and roadmap

1 Current State Assessment & Market Research

W. Capra gathered substantial data from the client and industry organizations over the course of a few months. First, W. Capra conducted internal and external assessments to get a full view of the client's current state and existing pricing strategies. This required thorough research on the company, as well as on merchandise and foodservice price optimization industry best practices.

Through this research, W. Capra was able to find actionable information on emerging trends, as well as share best in class technology and platforms.

2 Opportunity Analysis & Strategic Recommendations

W. Capra performed several different analyses that identified opportunities to improve operational efficiencies and profit margins. W. Capra also did extensive research and made a recommendation for a 3rd party competitive pricing audit to be conducted.

3 Technology Evaluation, Pilot & Deployment

W. Capra helped the client source and pilot a new price optimization tool for their existing SKUs in a group of stores. Once the pilot implementation was completed successfully, the decision was made to rollout the new price optimization tool inside the rest of the c-stores.



W. Capra, LLC. – © All Rights Reserved

Impact

Maintained competitive pricing while boosting margins and increasing shareholder value:

MERCHANDISE

SALES	PROFIT	AVG MARGIN
7% ↑	7% ↑	32% ↑

PREPARED FOOD

SALES	PROFIT	AVG MARGIN
5% ↑	4% ↑	61% ↑

The convenience store chain has now fully implemented this new pricing strategy and continues to build data into the price optimization tool.

Over six months, smarter pricing delivered measurable growth across merchandise and prepared food.



W. Capra, LLC. – © All Rights Reserved

Is your pricing strategy leaving value on the table?

Let's start the conversation. **Connect With Us.**

W. CAPRA

The premier end-to-end consulting and services business

– driving high impact customer-first business transformation from high level strategy through implementation

(312) 873-3300

info@wcapra.com

www.wcapra.com

W. Capra, LLC. – © All Rights Reserved