

# How Retailers Can Stay Price Competitive with Skupos



Oftentimes, the name of the game for independent convenience retailers is to do more with less. Independent retailers operate with leaner teams and smaller budgets than major chains, and they must be more intentional about how to reinvest money in their businesses.

So how can these independent retailers do more with less? **Simple – by offering competitive pricing to gain customer loyalty and earn repeat customers.** In fact, loyal customers are one of the most valuable assets to an independent c-store owner. As anyone in the industry can tell you, c-store customers are creatures of habit, and the challenge for all retailers is to become a customer's preferred store.

**75%**

75% of c-store customers visit the same store each time

**+25%**

Boosting customer retention by just 5% can increase profits by 25% or more



## Driving repeat customers with Skupos Scan Data and Skupos Engage

In order to price competitively and earn repeat customers, independent c-store owners need a full view of what's selling and a way to easily participate in brand-funded discount programs. **When Skupos customers sign up for both Skupos Scan Data and Skupos Engage, they're armed with the essential tools they need to compete with even the largest national chains.**

**"The promotions we can offer through Skupos have been so well-received and effective that we've actually grown our tobacco-related revenues by more than 10% — even during the most painful economic crisis we've seen in generations."**



## Earning more through Altria's Digital Trade Program (DTP) and Skupos Engage

With Altria's new digital trade program (DTP), more money is available than ever before in the form of incremental offers like one-time bonuses, digital coupons and incentives for repeat customers.

**But what does that mean for retailers?**

Participation in a digital trade program like Altria's requires an initial investment in a technology platform like Skupos, but offers considerable value beyond direct scan data payments from Altria. Altria's program enables you to offer low prices on tobacco products through brand-funded discounts, which **builds customer loyalty, and increases your store revenue.**

Here are two examples of how much value retailers can earn from participating in brand-funded programs through Skupos

## The Value of Loyal Customers

Example of Altria DTP CID payments

With Altria's new Consistent Loyalty ID Incentives (CID payments), stores will get paid for having repeat customers. The more frequently customers return, the more stores get paid! In this example, Store 1234 will receive **an extra \$19.60 per month from Altria** based on transactions from 20 loyal customers, not to mention the additional revenue they earn from the purchases that these customers make!

10 customers visit Store 1234 two times a week for 7 weeks and purchase 2 packs of Marlboro Reds each visit

**Store earns \$4.20 in CID payments**

(10 \* 7 \* 2 \* \$0.03)

10 customers visit Store 1234 two times a week for 11 weeks and purchase 2 packs of Marlboro Reds each visit

**Store earns \$15.40 in CID payments**

(10 \* 11 \* 2 \* \$0.07)

Repeat shoppers that come in at least 5 weeks in an LFP period earn stores \$0.03 per transaction  
Repeat shoppers that come in for more than 10 weeks in an LFP period earn stores \$0.07 per transaction

## The Value of Brand-Funded Discounts

### Skupos Scan Data

\$20 per month platform fee

#### Scan Data Programs

**\$27**

Average monthly payout to retailers

#### Tobacco Multi-Pack Discounts

**\$280**

Additional monthly funding from Altria

Retailers see an average of **\$504+ per month**, plus increased revenue, from participating in tobacco programs and Skupos brand-funded promotions



### Skupos Engage

Additional \$29 per month platform fee

#### Altria LFP Discounts

**\$197**

Additional monthly funding from Altria

#### Exclusive Brand-Funded Discounts

**Access to revenue-driving discounts from top brands**