

The Perspective

A Publication for the Convenience Store and Petroleum Marketing Industries

Published By:

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Introducing Affiniti™ Mobile

Your Business in the Palm of Their Hand

Mobile Evolution

Mapping the Mobile App Revolution

Mobile Millennials

The New “Boom” Generation

Mobile Movement

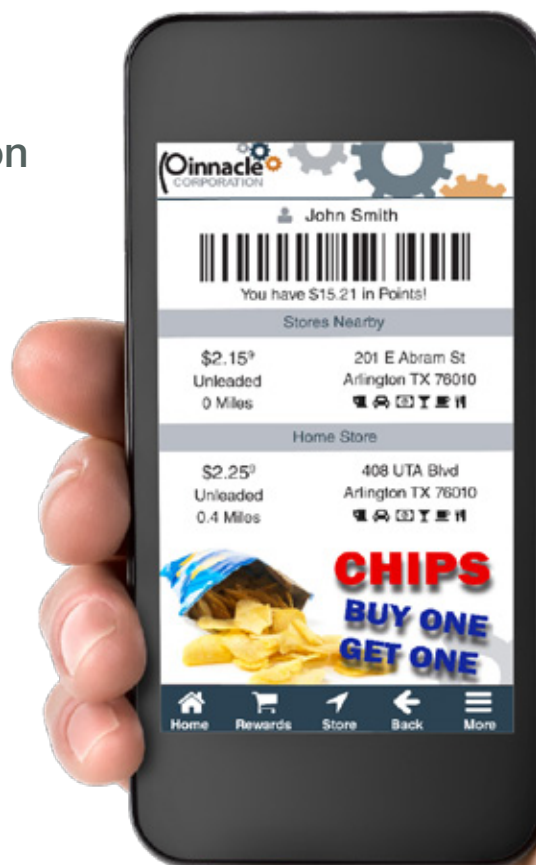
Affiniti and Lynch Oil:
Driving Traffic Together



The 2016 NACS SHOW Round-Up

The Path of A Candy Bar

From Promo to Purchase to Profit



2016 Pinnacle Summit Conference:
Recap & Spotlight on Butch Egan

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FROM BOB'S PERSPECTIVE

2017 has arrived and with it, many exciting new challenges and opportunities for the convenience store industry. We witnessed the inauguration of a new President of the United States and a new administration that through regulation and legislation, will shape the nature of our business and how we operate. We have seen OPEC and other oil rich countries work to stem the sharp decline in oil prices by slowing production- which in turn stimulates our domestic oil production and renewed shale development. Labor issues and a push for more manufacturing stateside has ushered in a modern 'Made In America' rebirth.

We witnessed advances in technology and communication that change the way we interact with each other, retailers and the outside world. Amazon's Alexa and Google Home have brought personal AI into our homes as assistants, schedulers, encyclopedias and more. Uber, Lyft and other ride-sharing apps have not only made commuting cash-less and with the ease of a swipe of the finger; but have also incorporated food delivery, errand-running and now self-driving cars. Following the mobile trend, mobile apps and their integration into our daily lives continues to expand: direction app Waze can navigate through traffic snarls, streaming music apps like Spotify and Pandora have eliminated CD libraries while also using listener algorithms to determine which playlists you would prefer, Netflix and Amazon have gone beyond streaming video and original content to provide saved downloads and honed suggestions for niche audiences based on user behavior. Technology is relentlessly marching on! And Pinnacle must also.

At the start of 2017, we streamlined our product line through a partnership with PDI to allow us to focus all our energies on our Point of Sale, Loyalty and our new Affiniti Mobile solutions – ensuring we can bring you cutting edge technology and software that responds to these ever-changing trends in the marketplace. We were the first to market with

a complete EMV certification and we're still out front, helping our clients meet their regulatory requirements. Our Palm POS still leads the pack for integrations to loyalty programs, payment processing and back-office solutions- while our own Loyalty suite gives our clients the flexibility and branding needed to drive traffic from competitors. With the release of our Affiniti Mobile App platform, Pinnacle is providing retailers with an evolving platform to easily build out a branded consumer facing app – and related back office corporate app – we have kept our clients competitive and ready for the next stages in the evolution of convenience store marketing and loyalty.

We are continuously looking to new ways we can help our clients grow and profit. Our commitment to our client's success has never been stronger than today. We have and will continue to meet with our client Advisory Council, attend industry events and trade shows, and participate in leadership organizations to refine our view of how best to serve our clients and be responsive to their needs. We hope to see you at an upcoming event, but if you can't wait until then to improve your business, please give me a call!

Best,



Bob Johnson
CEO & President
The Pinnacle Corporation

FROM OUR PERSPECTIVE

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2017 PINNACLE CALENDAR

COME SEE US

FEBRUARY 21-23

WPMA (Western Petroleum Marketers Association)
Las Vegas, NV - BOOTH #523
www.WPMA.com

FEBRUARY 24-25

PACE (Petroleum & Convenience Expo)
Kansas City, MO - BOOTH # 127
www.paceshow.com

MARCH 8-9

SOUTHEAST PETRO-FOOD MARKETING EXPOSITION
Myrtle Beach, SC - BOOTH # 1511
sepetroshow.org

MARCH 15-16

GULF COAST FOOD & FUEL EXPOSITION
Biloxi, MS - BOOTH #303
www.foodandfuelexpo.com

APRIL 18-20

M-PACT
Indianapolis, IN, BOOTH #913
m-pact.org

MAY 16-18

SOUTHWEST FUEL & CONVENIENCE EXPO
Fort Worth, TX - BOOTH #907
www.sw-expo.com

JUNE 13-14

CENEX BUYER'S FAIR
Minneapolis, MN - BOOTH TBD
www.cvent.com/events/2017-cenex-buyers-fair/event-summary-e2172973eaa94331b04baf040adb192e.aspx

WHAT'S NEW AT PINNACLE?

Events:

Pinnacle Advisory Councils:

This year, the Pinnacle Advisory Councils will come together and meet at one event, emulating this practice from Summit 2016's meeting. For 2017, the council will discuss and analyze topics related to current industry issues and trends, and prioritize pressing needs for upcoming projects.

Company:

On January 5th of this year, Pinnacle announced the sale of Pinnacle's ERP assets, which includes their Retail C-Store and Fuel Solutions business to Professional Datasolutions, Inc (PDI). PDI will acquire the software assets, intellectual property, client contracts, and the majority of Pinnacle's operations teams related to these solutions. Pinnacle will retain all other lines of business including, Palm point of sale, Loyalink loyalty, and our new mobile solutions. This acquisition brings together the two organizations' innovative software solutions with a deep expertise in the convenience retail and wholesale petroleum industries and we, at Pinnacle, look forward to the things to come in 2017.

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- Breakthrough ergonomic design
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XT2

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- Features a brilliant 5-inch touch screen strengthened with Gorilla Glass 3
- Weighs only 10 ounces
- Optimizes the tradeoff between screen viewability and device size/weight



JANAM

WHAT'S NEW AT PINNACLE? *(continued)*

Pinnacle Solutions Updates

Affiniti Consumer Mobile:

The Lynch Oil Mr. Gas consumer app is powered by the Pinnacle Affiniti Mobile Platform, integrating their existing loyalty program with new features for consumers to drive store traffic.

- The Mr. Gas program has been a strong success for Lynch Oil, and the fact that they can offer both rewards and payment options through the program has helped make it a success. They want to continue the trend of increasing traffic and spend, and believe the key component in making that happen is the introduction of the mobile app.
- The Mr. Gas app allows Lynch Oil to increase their brand recognition and, at the same time, increase engagement with their customers with updates on prices and promos while messaging about special events.
- What the consumer mobile app with integrated loyalty allows Lynch Oil to do:
 - >> Enhance differentiation from other programs
 - >> Reinforce brand value
 - >> Support the customer experience with the brand
 - >> Strengthen member relationships
 - >> Increase engagement with members
 - >> Increase customer spend

POS and Payments Product Updates

- **EMV inside:** Ongoing efforts, currently payment network interfaces are in various stages of GR, beta and development. Clients should refer to the EMV Update posted on Pinnacorp.com for the most up to date information related to their payment host.

- **P2PE:** Completed Bluefin project to support a point-to-point encryption solution with Ingenico PIN pads and NBS host. Ready for beta testing by those interested.

- **OS:** Windows 10 IoT (Internet of Things) has been tested and approved on the UTC 3190 hardware platforms.

Discretion not ours.

>> We have to manually keep track of what purchases/sales qualified for a rebate and what the vendor paid us.

How will the problem be solved?

>> Complete Rebate Management solution to manage vendor and manufacturer rebate.

Training Updates

- The Pinnacle Learning Center (PLC) – A new web portal for customers to access training and product help.
 - >> Access online help easily.
 - >> See the training class agendas and schedule.
 - >> Enroll in classes online.
 - >> See classes completed, access tests and exercises completed, and reprint certificate.
- Free training in Arlington:
 - >> 64 attendees completed courses in 2016.
 - >> Included 42 new trainees and 5 retrains, 17 of which were new clients (those who have not been to class before). ©

NACSSHOW

2016 NACS ROUND-UP

2016 marked another amazing NACS Show and what a wonderful time the team at Pinnacle had! Not only did we get to see so many of our tremendous clients, meet prospective customers and partners, and catch up on new and emerging trends- we also launched our new Affiniti Mobile App Platform from the show floor!

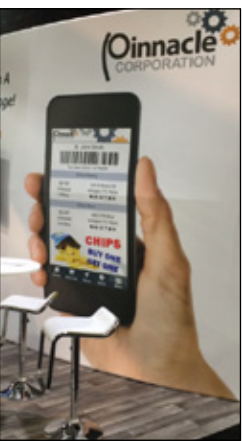
Exclusively circulated by Convenience Store Products and picked up by media outlets throughout the industry, Affiniti brings Pinnacle's decades of experience and dedication in the convenience store industry to the mobile environment. The Affiniti consumer and corporate facing apps are built in a way that allows continuous feature expansion, brand malleability and feature advantages clients can utilize immediately.

Also featured at NACS Show 2016 in the New Product Showcase was Pinnacle and NACS' SkimDefend App. Using mobile technology to record fuel seal tampering, SkimDefend is a major step in the prevention of loss and protection against fraud. Pinnacle is proud to partner with NACS and Conexus to help protect retailers and their customers.



Pinnacle's own Melissa Fox-Hadley, Director of Product Management, was recognized at the Top Women in Convenience program sponsored by Convenience Store News. Melissa was recognized in the senior-level leader category, comprised of retailers, suppliers and wholesaler executives who have executed strategy and transformed their business in a positive manner.

The annual NACS Show not only energizes our team and allows us to show the latest in Pinnacle products, but provides valuable face time with clients and partners from all over the country. We thank each person who stopped by our booth or met with us during the show and look forward to seeing you at NACS 2017 in Chicago! ©



UNBRIDLED LOYALTY



Working For Your Customer... And You!

What makes a strong loyalty program? The point of loyalty programs for retailers is to increase profits. To that end, loyalty programs should offer incentives to customers that not only drive traffic, but utilize promotions with the most profit return and the least opportunity for loss.

Moreover, for a loyalty program to work effectively, it should keep the user’s engagement with trackable rewards and continually expanding features and benefits. Customer loyalty programs need to woo consumers to your stores. Once they’re hooked, you can continue to hold them in your thrall.

Interestingly, loyalty programs in the convenience sector frequently fall short of meeting the consumer’s expectations. In many instances, the program isn’t really built to engender consumer loyalty; it’s built to match the competitor offering, often put into place and left, unaltered for many months or even years. Frequently the offerings are limited to fuel discounts and club card rewards. Consumers like

those benefits, but if new promotions and exciting benefits aren’t designed for increasing membership and loyalty, you’re really giving revenue and margin away, not marketing your brand or building a larger, more loyal customer base.

The reliance by consumers on mobile technologies provides an opportunity for retailers to more easily gather and share information with potential consumers. Mobile apps have rapidly become the preferred way to simplify communication between you and your consumer, and when your customers carry your company with them wherever they go, you have the ability to push and pull information in real time. Consumers that download your mobile app start delivering information



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Omega’s solutions are compatible with Pinnacle systems & environments.

to you that you didn't have the moment they open the app for the first time. These consumers have now become identifiable and their activity is measurable and meaningful.

The Affiniti™ mobile application provides you the ability to extend your reach and offer basic loyalty capabilities or direct integration with established loyalty programs such as Pinnacle's customer rewards solution, Loyalink. Loyalink® lets you create customized programs that work for your organization and customer base, enabling you to build customer loyalty and increase store profits. With an easy to use interface, you can establish a diverse set of customer reward programs that appeal to a broad base of demographics and reap financial benefits for your organization. The program features span an extensive array of options, including fuel and merchandise discounts, rewards



“ To work effectively... Customer loyalty programs need to woo consumers to your stores. Once they're hooked, you can continue to hold them in your thrall. ”

for frequent visitors or high spenders, and ongoing points accumulation.

As a standalone program outside of Affiniti, Loyalink provides a web browser interface that lets your customers register themselves on your website. The registration form captures contact and demographic information about your customers that will give you the information you need to make contact with your loyal customers, as well as focus your marketing to meet their social segment. Once registered, your customers can check their loyalty standings and performance and read about what's coming up with your loyalty promotions.

The Dot Net Nuke® design allows you to display your program's graphics on the page and add links that give customers access to additional marketing material,

such as upcoming contests or promotions. The Loyalink solution can deliver discounts to web registrants on their next visit to one of your stores. It's a great way to motivate a customer to visit your store, and it gives you an opportunity to say thanks to those influential customers who can become part of your marketing solution.

Pinnacle's Loyalty is a complete suite of consumer focused tools to make average customers good, and good customers better. Not just an after the fact discount program, Pinnacle's Loyalty suite (including LoyalPass, LoyalPay and LoyalDebit) has a combination of features that will appeal to the majority of your customers. With a common database at the home office and complete real-time integration with a variety of POS options, customers can take advantage of your loyalty programs' benefits, regardless of which store they shop. Combine any and all loyalty programs onto the same loyalty card; one card, many benefits.

Pinnacle Loyalty will take your marketing to a new level, and is proven to put more money on your bottom line. Your loyalty program should work for you and your customers. By delivering amenities and promotions specific to your convenience store customers' needs, retailers can not only drive sales and increase profit margins – but utilize continued consumer information to better plan and prepare for upcoming trends and inventory movement. Pinnacle Loyalty programs bridge the engagement gap between you and your customers. ©

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MOBILE EVOLUTION

Mapping the Mobile App Revolution

Mobile Apps aren't new by way of definition. Albeit what we consider a mobile app in 2016 is nothing like its predecessors – The Palm PDA, the TREO, the Blackberry – all mobile devices of the early-90's that can lay stakes as the pioneers of the mobile app. Their features were indeed limited by today's standards; compiled applications fully contained on the device with no need to communicate to a host and severely limited due to pre-GSM data networks.

As cellular data networks evolved into GSM (2G), 3G, 4G... the availability and bandwidth to stream data across the cellular network has continued to explode. Improved cell coverage and the ubiquity of Wi-Fi networks have transformed mobile devices that were primary telephones, with some limited features, into powerful applications devices with a phone as an included app – or not at all in the case of modern day tablets.

The concept of an app store is no different in its evolutionary process. It's not a new idea that just came about in recent years. The first app store concept goes back to the early 90's, though the demand for mobile apps really didn't start gaining mainstream traction until Apple launched (and trademarked) its "App Store™" in 2008 for the iOS operating system. And, not unlike Kleenex, App Store has become the common street name for app repositories provided by any entity whether Apple, Google, Microsoft, Amazon, etc.

Fast forward to 2016, and across the U.S. we now have a solid 8 years of mobile devices, mobile applications, and real consumer reaction experiences to mobile applications. We are learning that the 'one size app' does not fit all users, and that the user experience requirements vary drastically based on the specific use cases. If you think any app will do, your app may likely end up among the 2/3 of 2+ million mobile apps in the iOS and Android app stores that never see a single download.

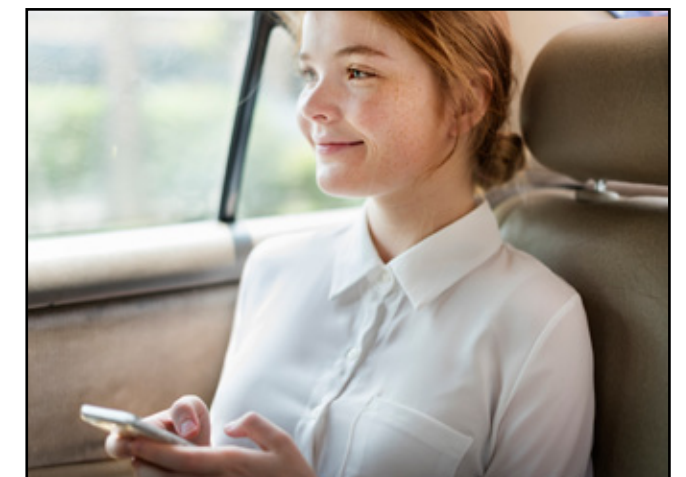
The evolution of any leading edge technology is a learning experience for all, but how it evolves and the challenges created for the convenience retail space can truly affect your profit margins and standing with competitors. In few categories is it truer than in smart phone technology- particularly mobile apps. In the following, we chart the evolution of the app experience for retailers – and the challenges and opportunities they create.

'Fat Apps'

These early apps were primarily self-contained with all of the code compiled into the app itself. The data was being served via cellular data or Wi-Fi from a host system; very much like legacy desktop software applications. And, not unlike desktop applications, those apps got bigger and bigger in size, continuing to grow over time and making them harder to change, requiring a new deployment to the mobile device each time they were updated. Although it's becoming less of a problem as mobile device storage limits continue to grow, when a user is looking to free up space on their device they may look to deleting those fat apps taking up the most storage. The worst case scenario is a consumer that may be partially invested in a retailer's app, but not fully bought in, creating a high risk of losing all of the traction gained with that consumer.

'The Target User is not a User'

Not every consumer is the same and they cannot be treated the same. Fuel prices may be important to the demographic with a vehicle, but the 14 year old consumer more interested in the loyalty related features of the mobile app couldn't care less about fuel prices. An all-encompassing consumer facing mobile app strategy is important, but managing the user experience for micro demographics across the consumer base is important or you risk losing them at hello.



“ It is important when considering the benefits regarding a branded mobile app to ensure that app is device malleable, easily updated and provides the most natural user experience possible. ”

‘Mobile App Management’

What used to be the simple ‘must have app’ may have grown to an enterprise level platform – becoming the primary communication method with consumers and a key tool for internal corporate users. Deploying apps, updating apps, managing who has access to which apps or, more importantly, managing more complicated features can be burdensome. The organization can’t simply make a tweak or enhancement to an existing app without considering a potentially lengthy deployment plan. Contemplating a new mobile app may be an easy out, but it complicates the entire concept of a single system to manage the overall mobile strategy.

‘Building Bridges’ Inefficiencies

Nearly every mobile app requires source data, and depending on the app, that data could come from multiple sources. A consumer gas price



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app needs pricing from the fuel pricing system, loyalty app from the loyalty host, corporate user reporting data from the BI tool, financials from the GL, and the list goes on. Every one of these sources must be managed individually and in most cases look much different per integration point. To complicate the issue, the further removed a mobile app provider is from the source data (e.g. a 3rd party that specializes in mobile apps but is not the solution provider for the aforementioned) the more they will require someone to build a bridge between the source data and the mobile app.

It is important when considering the benefits regarding a branded mobile app to ensure that app is device malleable, easily updated and provides the most natural user experience possible. Not only should it move across multiple platforms and devices – but it should

be easily incorporated into your companies' existing software and hardware. By integrating existing loyalty programs and point-of-sale systems, you can provide the best opportunities for customer retention and app adoption.

Driving consumer traffic has always been one of the biggest challenges for convenience store retailers, and as a result, retailers are increasingly moving toward mobile solutions to get consumers' attention and dollars. In fact, between 2016 and 2020, mobile traffic is projected to grow by 8 times, which means the reliance on mobile technologies by consumers provides a unique opportunity for retailers to more easily gather and share information with potential consumers. Organizations building out a mobile app strategy need an easy button for managing the deployment of their mobile enabled solutions. ©

MOBILE MILLENNIALS

The New “Boom” Generation

Millennials – Who Are They? If you are like most retailers, you invest a lot of time and money in building a loyal customer base, and as part of that effort, you are trying to understand and target the up and coming Millennial Generation. Millennials are typically defined as those born between 1980 and 2000, although some studies make them a bit older or younger. This means they range in age from teenagers to early 30-somethings. This group is the subject of many studies and is on pace to be the most studied demographic in history, behind the Boomers who have been studied for decades. Everyone is trying to figure them out. Why? According to a 2012 study, this group already represents \$200 billion of direct purchasing power and has influence over \$500 billion of indirect spending, primarily because teens and young adults who are living at home influence the purchasing habits of their Baby Boomer parents (source: U.S. Chamber of Commerce Foundation). Since the youngest members of the group are yet to enter the workforce, the prime earning time frame for this group is still years away, which means collectively the group represents an important part of our future economy and cannot be ignored. Millennials’ annual spending is expected to reach \$2.45 trillion (source: Deloitte). Clearly understanding and finding ways to appeal to this important demographic deserves a closer look.

Millennials are an elusive bunch for those who seek to understand them; sometimes they seem fickle and contradictory. On one hand they are price and value conscious. On the other hand they are willing to pay for convenience,

flexibility, and quality. They are open with their personal information almost to a fault. Yet studies show security is important to them. Above all, they want to have interactive experiences no matter what they are doing or where they are doing it – this means mobile devices are central to their universe.

Much has been written about Millennials’ tendencies and preferences, not only what they buy but how they prefer to pay for their purchases. More than any other group, this generation loves their debit cards; credit cards and cash not so much. Millennials are more likely to choose debit for payment than any other group – 80% of debit transactions originate from this demographic (source: Hitachi Consulting sponsored by First Data). Most Millennials, especially those under 30, have never written a check. They were introduced to payment cards when they opened their first bank account and at that time received their first debit card. An estimated 20% have not made a cash purchase over \$5 in the past 30 days (source: CreditUnion.com).

An avalanche of research is beginning to connect the dots between technically savvy Millennials and mobile device usage for mobile payments. Research is confirming what intuition may have already told us – Millennials are ripe for mobile payments. Millennials are as much as 2.5 times more likely to try new technology compared to other groups (source: U.S. Chamber of Commerce Foundation). Research by American Express revealed 52% of consumers ages 18-24 are likely to try new technology-enabled payment tools. And with 75% of



25-34 year olds owning a smart phone and 90% percent of them using the Internet, it’s easy to see why this group is so comfortable with mobile technology and is interested in including smart phones in their shopping experience (source: Pew Research Center).

Perhaps you’ve been in a large metropolitan area, close to an event that is just letting out, only to see Millennials on the sidewalk on their smart phones. Chances are, they’re

waiting for an Uber or a Lyft, the two most popular ridesharing companies in the country. Those in the 16-34 age range who live in metropolitan areas are the most frequent ridesharing users. What do their habits mean for c-store owners, in particular, their means of payment and ridesharing habits?

What began as a luxury car hailing service in Uber then became a billion dollar company operating across the country. Uber and

Lyft's biggest advantage in their rapid growth has been their medium. In a time where people are able to do work on their smart phones, so too can you hail a ride across town, without exchanging cash. A Business Insider Intelligence survey found that 40% of Millennials would give up cash completely if it was an option – and Uber and Lyft make that possible.

To understand what the evolution of ridesharing means for fuel marketers, we must first know that Uber and Lyft in particular are in the arena of recruiting more drivers – and with that, comes fuel.

Uber has aimed to assist drivers in being more cost efficient by providing them with a capability within their 'Fuel Finder' app that assists drivers in finding the cheapest gas on their routes. This introduces more

competition for c-store gas stations, as you are no longer competing against the nearest competitor, but ridesharing apps may be leading customers to them.

Uber has gone as far as to offer drivers gas discount cards. Exxon has partnered with the company to save drivers money at the pump in major cities where Uber performs best, with further expansion in the coming months. In high cost urban centers, drivers often opt for hybrid vehicles and subcompacts to curb their fuel consumption. Uber has also upgraded their driving route maps to allow for up-to-the-minute traffic information, construction and most fuel efficient routes – further diminishing their energy consumption.

So, how big is the ridesharing economy? As Fuel Marketer News says, it may be too soon to tell. Since the ridesharing phenomenon

began, approximately 500,000 vehicle purchases have been forgone. That said, it represents a mere 0.2% of the current vehicle fleet in the United States. Added to this complex category, Uber and Lyft continue to update and modify their services. Not only can passengers share fares as a group, drivers can also pick up additional fares in-route. As of recently, Uber clients no longer need to be in a car to be benefiting from the service. Uber has expanded its service to food delivery as well – allowing someone at home to order from a local restaurant with Uber delivering their meal, reducing the typical consumer consumption of gasoline.

Uber, Lyft, and other ridesharing companies can provide opportunities for the c-store industry though they also present challenges. Fuel Wholesalers need tightly controlled inventory processes to make sure they are getting the most out of the fuel category. Retailers need to look to companies like Uber and Lyft for ways to engage Millennials and meet their needs and desires regarding mobile payments, mobile apps and loyalty. Consumers have the ability within their pockets to easily identify price, and retailers must adjust to a consumer's preference of payment.

So how do you win the business of such a fickle demographic group as the Millennial generation? It seems obvious that retailers who cater to the demands of this demographic stand to reap the rewards of their loyalty and have a competitive edge. Pinnacle aims to provide our clients an opportunity with our Affiniti Mobile Solutions – making sure your customers get the most from every visit to your store, and your business works for you wherever you happen to be. With mobile the way of the future, we strive to put your business in the palm of their hand. ©

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MOBILE MOVEMENT



Affiniti and Lynch Oil: Driving Traffic Together

By 2017, mobile traffic will have grown more than 13 times in five years. The reliance by consumers on mobile technologies provides an opportunity for retailers to more easily gather and share information with potential consumers. Mobile apps have rapidly become the preferred way to simplify communication between you and your consumer, and when your customers carry your company with them wherever they go, you have the ability to push and pull information in real time. Consumers that download your mobile app start delivering information to you that you didn't have the moment they open the app for the first time. These consumers have now become identifiable and their activity is measurable and meaningful.

“The majority of consumers, including 71 percent of U.S. mobile elites, rate convenience as the most important element to their mobile app experience. As most consumers are generally concerned with receiving the best deal, it's no surprise that price checking and receiving digital coupons were also rated as important.” *Mastering the Complexity of Mobile with Simplicity*, Adobe Consumer Report, October 2015.

Built on the new Affiniti™ Mobile Platform, Pinnacle's consumer facing mobile app provides all the configuration and management tools you need to get started with your own branded mobile app, so there are no major startup costs or efforts required. Retailers work hard to create a brand, and as an extension of your marketing strategy, a consumer facing mobile application should complement that brand strategy. Affiniti allows retailers to reinforce corporate branding standards with logos, colors and fonts. You provide your corporate marketing theme; Pinnacle provides the app.

“Today's consumers keep their mobile phones closer to their hand than the wallet that holds their cards. Offering a mobile app to our customers allows us to offer convenience before they even walk in the store.”

Nick Lynch, President of Triple S Oil

Lynch Oil has been a longtime customer of The Pinnacle Corporation as a Palm POS and Loyalty client. As their loyalty program grew more and more successful, they were looking for ways to extend offers and promotions to their consumers via mobile – to help drive traffic, influence spend, and communicate with them in the most effective way possible. With their Mr. Gas mobile app, built on the Affiniti mobile platform, they are able to influence consumer behavior and drive store traffic in ways they had not been able to before.

“Today's consumers keep their mobile phones closer to their hand than the wallet that holds their cards. Offering a mobile app to our customers allows us to offer convenience before they even walk in the store,” says Nick Lynch, President of Triple S Oil. “Consumers will be able to sign up for loyalty rewards directly through the app, they'll also get promo offers, updates on pricing, and they'll be able to check their loyalty points balance, including their status on their club punches. We are looking forward to the new opportunities that our Mr. Gas mobile app offers our business and our customers.”

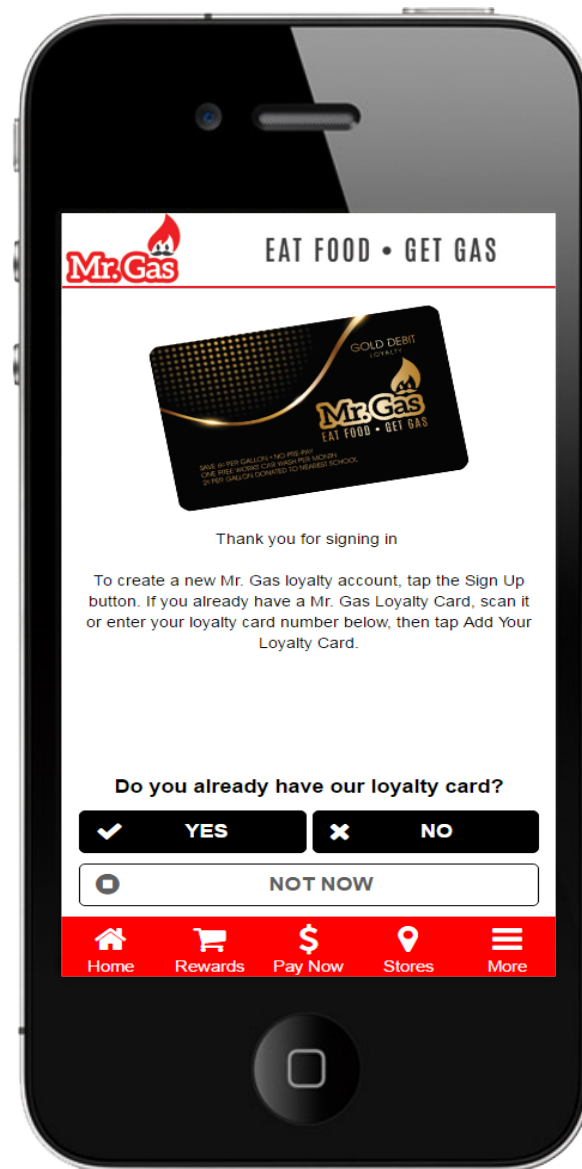
Perhaps you've waited to implement a loyalty program and are not sure how to get started, or perhaps you've got a full blown loyalty offering for your members. The Affiniti Mobile application provides you the ability to extend your reach and offer basic loyalty capabilities or direct integration with established loyalty programs.

Customers can easily sign up for their loyalty program through their mobile app and begin earning rewards right away. They can also add an existing loyalty card by entering their number.

With the swipe of a finger, Lynch Oil is quickly and easily giving customers a seamless loyalty experience, while turning that data into a true competitive advantage.

In addition to loyalty programs, when your business is all about convenience, it is important to make locating your retail locations and their amenities as easy as possible. Lynch Oil is able to drive customers to their stores by publishing digital offers and coupons directly to their mobile phone; and with their Store Locator, they enable consumers to designate their favorite as those nearest their home or work, and identify the amenities at each location.

Because consumers often change buying behaviors based on fuel prices, the Mr. Gas app also posts fuel prices for each of their locations and grades – allowing customers to see prices and set their favorite grade of gas to display on their home page.



“Affiniti is based on decades of dedication and experience in the convenience store industry. Through partnership and collaboration with clients, Pinnacle created a mobile platform with the flexibility, ease and control that retailers demand. The consumer and corporate apps are built in a way that enable us to continually expand the feature set and add incremental value for all clients – without having to retrofit each individual client’s app- so they can start taking advantage of new features immediately,” said Melissa Fox-Hadley, Director of Product Management at Pinnacle.

“Pinnacle has had a strong presence in the mobile space since 2008,” said Bob Johnson, CEO at Pinnacle. “With our new Affiniti Mobile platform and collaboration with Lynch

Oil, we are excited to usher in a new age of consumer engagement and a malleable, adaptable software application for retailers that can grow with their company and emerging trends. We are confident Lynch’s consumer facing app will drive loyalty, traffic and profits.” ©

THE PATH OF A CANDY BAR

From Promo to Purchase to Profit



Pinnacle’s approach to inventory solutions can be drilled down to the path of a candy bar. Convenience store retailers are constantly looking for ways to get the most from their merchandise, even to the last chocolate. In today’s competitive market, it’s not enough to just buy and resell for a profit. Retailers must stay ahead of the hurdles and headwinds of changing consumer tastes, market saturation, product staleness and shrink.

Starting with your customer, put your store in the palm of their hand. The Affiniti™ mobile application provides you the ability to extend your reach and offer basic loyalty capabilities or direct integration with established loyalty programs such as Pinnacle’s customer rewards solution, Loyalink.

When your business is all about convenience, it’s important to make locating your retail locations and their amenities as easy as possible. Affiniti’s Store Locator module allows retailers to identify each location and the specific amenities available at each location. It also enables users to designate their favorite locations, such as those nearest to their home or work. Drive customers into your stores by publishing digital offers and coupons directly to their mobile phone. Add a mix-n-match offer pairing a soda and hotdog with a candy bar and push it directly to consumers in real time – increasing spend and profits!

As a standalone program outside of Affiniti, Loyalink® lets you create customized programs that work for your organization and customer base, enabling you to build customer loyalty and increase store profits. The program features span an extensive array of options, including fuel and merchandise discounts, rewards for frequent visitors or high spenders, and ongoing points accumulation. It’s a great way to motivate a customer to visit your store, and it gives you an opportunity to say thanks to those influential customers who can become part of your marketing solution. This allows you to truly capitalize on instore promotions- and get the most from customer traffic.

Once the customer gathers his/her purchases, our candy bar is sold at a Pinnacle Palm POS. Palm POS is the most adaptable POS designed with the convenience store in mind. By creating an interface that is client-by-client specific, Palm ensures your buttons and landing boards are the most efficient for your inventory. Palm POS also seamlessly integrates with back-office pricing software, making sure you get the most accurate sales process possible. Once that candy bar is scanned, retailers know they are getting accurate point of sale information and

customers have a fast, efficient checkout process. With Palm, mix-n-matches can be added in real time – saving time and making promotions more optimized. POS interface landing boards and buttons can be modified to include these promotions – as many at a time and at any duration wished – without the need of outside contractors or off-site IT. So the next time that candy bar makes its way to the register, there will be a soda to accompany it... and added profit.

Pinnacle solutions help retailers get the most profit from their inventory – be it a candy bar, or cigarettes, or foodservice or fuel – and stay ahead of competitors and market trends. By utilizing Pinnacle’s business intelligence software, convenience stores are able to turn data from snack food inventory sales and ordering into smart, actionable results; making the retail process all the sweeter. ©

PINNACLE SUMMIT CLIENT CONFERENCE



Oinnacle CORPORATION

SUMMIT 2016 RECAP

Pinnacle’s Annual User Conference - Summit 2016 was a record-breaking event, eclipsing prior year attendance records, and incorporating new initiatives to enhance the client experience.

Client attendees from across the United States and from all professional backgrounds (IT, executive level, marketing, accounting, operations, etc.) convened at Pinnacle Summit 2016. Located in the bucolic rolling hills of Frisco at the Westin Stonebriar Golf Club and Resort, Summit attendees had near full-run of the impressive hotel.

Fantastic, informative, and entertaining keynote addresses by Shep Hyken and Four Day Weekend, luaus by the pool, casino night, and taking over Top Golf kept our group entertained as well as informed by all our educational sessions.

Through educational sessions, networking opportunities, open forum discussions, and general sessions with industry and technology leaders, Pinnacle Summit continues to serve as a platform for growth and insight into how others in the petroleum and convenience store industry gain efficiency in their organizations through the use of Pinnacle software.

In addition to compelling speakers and targeted breakout sessions, Summit is an opportunity to connect with fellow clients, share your ideas and experiences, and take home ways to use Pinnacle technologies to innovate and increase efficiency within your company. It is a chance to build relationships and discover how to extend the power of your Pinnacle solutions across all areas of your business.

We have found over the years that the clients which are most successful using our software are those who collaborate by utilizing our free Arlington-based training, participating in our Advisory Councils, and attending our annual Summit user conferences. Our attendance has more than doubled over the past 5 years, all thanks to the increased networking opportunities, breakout session topics, and amazing keynote speakers, and with exciting new changes coming ahead for Summit 2017 and Summit 2018, there is no better time to attend!



FOR UP-TO-DATE INFORMATION ABOUT PINNACLE SUMMIT 2017,
CHECK OUT OUR WEBSITE: www.pinncorp.com/summit2017

Pinnacle Summit Spotlight

Butch Egan

Butch Egan joined the C-store industry after a 28 year career at Anheuser-Busch (A-B) that covered a myriad of positions including Sales & Marketing, Revenue Management, Administration, and Brand & Sports Management. While at A-B, he championed various retail initiatives for both the grocery and c-store segments, and was consistently viewed as a Top Performer among the National Account Selling Team. Focusing on the total alcohol beverage category, Butch constructed pricing strategies and developed a variety of Best Practices that were implemented system-wide to improve sales, share, and revenue performance for all 3 tiers of the retail channel he managed.

Today, as the Chief Marketing Officer at Western Oil, Butch’s primary responsibility is focusing on Sales, Revenue, and Margin Performance for all 50 stores owned and operated by Western Oil, Inc. He leverages his experience with DSD suppliers, certification as a category manager, and the ability to analyze and interpret data to be instrumental in gaining a strong competitive market position for Petro-Mart, a company that competes against some of the biggest and best c-store chains in the country.

When he’s not working on process improvement opportunities, or looking



Butch Egan
Western Oil
Chief Marketing Officer

to gain greater exposure for Petro-Mart in the St. Louis area, he proudly monitors his daughter’s business career and coaches some of his son’s sports teams.

He’s been married to wife, Kim, for 14 years and is extremely proud of Fallon, his 23 year-old step-daughter, and his 8 year-old son, Jackson.

Butch was also the 2016 Pinnacle Summit Master of Ceremonies. He introduced the keynote speaker (and personal friend), Shep Hyken, led us through the daily activities of the conference, was auctioneer for Casino Night, and handed out prizes at the Summit Finalé Party at Top Golf. Butch kept everyone laughing and enjoying the Summit from day one.

For more information about the 2017 Pinnacle Summit, simply go to the website: www.pinncorp.com/summit2017; for more information about Western Oil, visit www.western-oil.com. ©



Butch Egan introducing keynote, Shep Hyken, at the 2016 Pinnacle Summit.

A Tradition in Industry Excellence, The Future in Innovation



Staying ahead of emerging trends and industry challenges requires a knowledgeable partner with an eye on the future.

Pinnacle's Point of Sale, Loyalty, and Mobile Solutions elevate your customers' experience, while driving traffic and profit.

To learn how convenience store retailers gain a true competitive advantage from Pinnacle solutions, visit pinncorp.com.



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