

Merchant Services Request for Proposal



Client Overview

Tasmania's Hill Street Grocer prides itself on providing the very best in fresh produce and delicious foods. Its commitment to quality gourmet delights and high-quality customer service has seen Hill Street become a Tasmanian institution, expanding over the past 20 years from being the best little corner shop in Hobart to an innovative grocery group consisting of 10 stores throughout the state including West Hobart, New Town, Sandy Bay, South Hobart, Blackmans Bay, Devonport, Dodges Ferry, Latrobe, Lauderdale and Longford.

Over the years Hill Street has expanded its products and services by also providing customers catering and platters, homewares, flowers and a café.

Like all independent supermarket groups, Hill Street operates on incredibly tight margins to stay competitive. Every cent that it is able to save counts.

Project Background

Hill Street is a founding member of Co-operative Supermarkets Australia (CSA). Nick Nikitaras, CEO of Hill Street Grocer, is a director on the CSA Board.

CSA engaged Payments Consulting Network (PCN) to run a Merchant Services Request for Proposal (RFP) process with a range of bank and non-bank payment service providers and conduct card scheme negotiations.

Hill Street contributed both payments data and requirements to PCN as part of the RFP process. PCN reported monthly to the CSA Board on the RFP and card scheme negotiations, providing progress updates on the approach, strategy, outcomes and recommendations. Nick Nikitaras was part of the final CSA Board approval process to determine the preferred CSA payment service provider.

Project Outcomes

Through PCN's work for CSA on the Merchant Services RFP, the following outcomes were achieved:

- PCN provided Hill Street with a detailed fee savings analysis report outlining the card mix changes (resulting from enabling least-cost routing), pricing changes and resulting projected cost savings.
- Hill Street was one of the first CSA members to move to the new preferred payment service provider, achieving a fee saving of approximately \$190,000 (33%) in the first year.

Client Testimonial

"Payments Consulting Network explained the complex fee structures and LCR in a way that any small business could easily understand, and supported us to negotiate a fee savings outcome that we could not have achieved on our own."

**Nick Nikitaras, CEO
Hill Street Grocer**

For further information

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