

## **Rite Aid – Store Operations Services**

**Bulletin:** #SOS - 403  
**Date:** September 26, 2009  
**To:** All Stores, Pharmacies and Field Management  
**From:** Tony Sadler, VP Store Operations

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### **Coupon Acceptance**

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#### **Overview**

As you know, over the past few weeks and months, we have expanded our promotional activities to include the internet, direct email to customers and participating in selected "coupon" websites. Concurrent with these changes we have made minor modifications to our current coupon policies so that they more accurately reflect our current promotional environment.

Attached you will find our revised Coupon Acceptance Policy. It is critical that each and every member of your team, both Front End and Pharmacy understand all aspects of this policy. Please have each Associate read and initial the policy. Please be sure they understand each point. It is important to know that we have changed some long standing Rite Aid practices, limits, etc surrounding coupons and we need all Associates to treat coupon acceptance consistently.

Also attached at the end of this policy is a "Customer Policy of Coupon Acceptance". This policy (which can be printed from the portal at anytime and is listed under Resources/Store Operations) is being made available to you should one of our customers request it. Please never give a customer a copy of our internal policies as they are written for Associates, not customers.

#### **Action**

Immediately –

- ☐ Make sure all Associates, both front-end and pharmacy, understand and initial that they read, the attached Coupon Acceptance Policy.

Questions – Please contact your District Manager or Pharmacy District Manager.

Rite Aid will not honor coupons that have expired, or appear to have been photocopied, altered, or misused in any way. This includes coupons that have been, or appear to have been scanned electronically and/or altered.

In addition, store management will review weekly cashier performance reports to identify unusual or excessive coupon transactions. The District Manager will be notified when unexplained activity is observed and assistance is needed.

- **Coupons – Non-Scannable** - When coupons do not scan properly, after verifying the coupon is valid (see Coupon Inspection requirements above) follow these steps for manual coupon entry:

**MANUAL COUPON ENTRY:**

1. Enter the coupon amount (for example: \$1.00 off, or 50 cents off, etc.).
2. Press appropriate Coupon key (based on coupon type).

- **Internet/Print at Home Coupons** - Coupons printed from the internet will be honored by Rite Aid. Rite Aid will accept internet/print at home coupons up to the equivalent value of \$5.00 off. Internet/Print at home coupons are defined as any coupon that is printed from a home computer, generally downloaded from the internet.

**EXCEPTION:**

A Rite Aid coupon (shows Rite Aid logo) is **NOT** considered an internet coupon (even if printed off the internet) and is therefore NOT subject to the \$5.00 maximum limit.

- **Instant Redemption Coupons** – On occasion, a vendor may offer instant redemption coupons (IRC) in support of a merchandise promotion. These coupons must be immediately adhered to the product. Forwarding vendor instant coupons directly to the clearinghouse, without first allowing our customer the opportunity to redeem with purchase, is a violation of this policy.

## **Limits on Usage**

- **Standard Coupons (Non-Internet)** – Only one manufacturer coupon is accepted for each product, unless coupled with a manufacturer or valuable Coupon found in a Rite Aid circular. Rite Aid reserves the right to deny redemption for coupons that exhibit signs of misrepresentation, including, but not limited to: "gang cut" (coupons presented in bulk that appear to have been cut by machine – a form of coupon fraud), similar cuts and tears, or sequential number patterns. Coupons may not be reproduced, photocopied, trimmed, or altered in any way by the customer or Rite Aid associate.
- **Internet/Print at Home Coupons** – The following limitations apply:
  - Only one internet/print at home manufacturer coupon is accepted for each item, unless coupled with a Rite Aid coupon.
  - \$5.00 limit on each Front End internet/print at home coupons (except for Rite Aid logoed coupons from the internet/email which have no such limit.)
  - Up to \$50.00 limit on Pharmacy internet coupons (Rite Aid Prescription transfer offers, Competitor prescription transfer offers etc.)
  - Internet/print at home coupons must have a valid barcode that scans successfully into the register
- **Post Coupons** – Post coupons, those offered by the customer after the transaction is completed, require store management approval.



# COUPON ACCEPTANCE

## Guidance for Special Circumstances

### Total Purchase Coupons

- ✓ From time to time, Rite Aid features total purchase coupons which discount total purchases based upon meeting specific requirements.

**SOLUTION:** Using as an example, the \$5 off a \$25 purchase coupon, after ringing up the customer's \$25 worth of items, be sure to scan their "\$5 off a \$25 purchase" coupon prior to scanning any other coupons (manufacturer or valuable coupons) the customer may have.

**EXPLANATION:** As an example, a customer has \$25 worth of products. If the manufacturer or valuable coupon is scanned first, it might discount their purchase total to under \$25. At this point, the "\$5 off a \$25 purchase" coupon will not work.

**NOTE:** **Multiple Coupons** - Customers can use more than one total purchase coupon (3-4 would be considered a reasonable limit) as long as they are used in separate transactions with each meeting the minimum purchase requirements.

### Buy One Get One Free

- ✓ When items are featured on a Buy One, Get One Free promotion, up to two coupons can be used against the items being purchased, as long as the net price does not go below zero for the item being purchased.
- ✓ If a customer presents a Buy One Get One Free coupon for the purchase of two items that are on a Buy One Get One Free promotion; we accept the coupon, essentially making both items free.

**NOTE:** The cash register will compute any sales tax due, which varies by state law.

### Internet/Print -At-Home Coupons

- ✓ **Internet/Print at Home Coupons** - We accept Internet Coupons up to \$5.00 off per item. (We accept coupons printed off the internet from manufacturer websites, emails and coupon websites).

**EXCEPTION:** **Rite Aid Coupons** (including those printed from internet or email)

Rite Aid coupons are not considered Internet/print at home coupons – even when they are printed from an internet site or an email. Therefore, they do not have the \$5.00 off per item limit that the Internet/print at home coupons have.

### Multiple coupons

- ✓ **Multiple Coupons/Multiple purchases** - Sometimes, a customer may present multiple, identical coupons for multiple item purchases. It is acceptable to allow this, up to a reasonable limit. Use the following guidance:
  - Generally, it is OK to accept 5 to 10 identical coupons provided the customer has purchased the items required and the store has sufficient stock to satisfy other customers.
  - We can limit bulk purchases of items (especially when the product is being purchased by another retailer or reseller) if the purchase will deplete our supply for other customers.

- In all cases, management should use good judgment to balance the satisfaction of the customer using multiple coupons and the satisfaction of other customers that will be looking for that item.

**Multiple coupons for a single item** - Customers can use a \*Rite Aid Coupon and a \*\*manufacturer coupon for the purchase of a single item. However, the coupon reduction amount can never exceed the value of the item.

<b>Example:</b>	If a customer presents a \$1.00 manufacturer coupon and another in-store flyer coupon for \$2.00 for an item that rings at \$2.99.
<b>Solution:</b>	Ring the \$1.00 coupon as usual and the \$2.00 coupon as \$1.99 using the manual coupon key.

\*Rite Aid coupons types include Circular (*Valuable coupons*), Print-at-Home (*i.e. Internet, or email.*)

\*\*Manufacturer Coupon types include: Circulars, Newspapers and Magazines, Print-at-Home (*i.e. Internet, or email.*) or Instant Redeemable Coupons (*IRCs*).

### Non-Scanning Coupons

- ✓ **Coupons that don't scan** - Any coupon that does not scan should be manually keyed (Key in the coupon amount and enter the coupon key.)

**SOLUTION:** Enter the coupon value and use the **coupon key** to deduct the correct amount.

**NOTE:** Any manually entered coupon over **\$4.99** requires manager authorization.

### Rite Aid Coupons

- ✓ **Rite Aid Coupons (*NO \$5 LIMIT*)** – We accept Rite Aid coupons (*should display Rite Aid logo*) of **ANY** amount off. Rite Aid coupons are not considered Internet/print at home coupons – *even when they are printed from an internet site or email*. For this reason they are not subject to the \$5.00 item limit that Internet/print at home coupons are.

### Sale Items

- ✓ **Coupons for sale items** -- If a customer presents a coupon for an item that is on sale for **less** than the value of the coupon -- we accept the coupon for the retail price of the item.

<b>Example:</b>	An item is on sale for 99 cents and a customer presents a \$1.00 off coupon,
<b>Solution:</b>	Ring the coupon as 99 cents using the manual coupon key.