



Comprehensive. Convenient. Cashless.

4 WAYS Going 100% Cashless Drives Greater Performance & Profitability



INTRODUCTION

The Nexus of a Cashless Revolution

In the not-too-distant past, cash was king, with the world running on physical currency. Ever since the 1970s when the first debit card became available¹, the payment landscape began to shift into the digital realm. Today, **only 41% of Americans report carrying any amount of cash with them.**²

But what does the proliferation of cashless mean for unattended retail, which, even in the rise of the digital era, held on to its legacy as cash-only? Historically considered the spare-change market—where customer purchase was directly tied to the amount of loose change dug out of pockets or purses—unattended retail risked losing out as societal preferences began to favor cashless.

Yet, today's on-the-go customer, more so than ever before, values convenience above all else—the bread and butter of unattended retail. Accepting cashless payments extends this value proposition even further, driving greater performance and profitability across operations.

LET'S EXPLORE HOW →



1

1 ACHIEVE GREATER SALES ACROSS UNATTENDED OPERATIONS.

It's often claimed that cashless payments drive greater sales. But just how notable is the increase?

2

Research has shown that in some cases, **customers have spent as much as 83% more when paying with a credit card in comparison to cash.**³

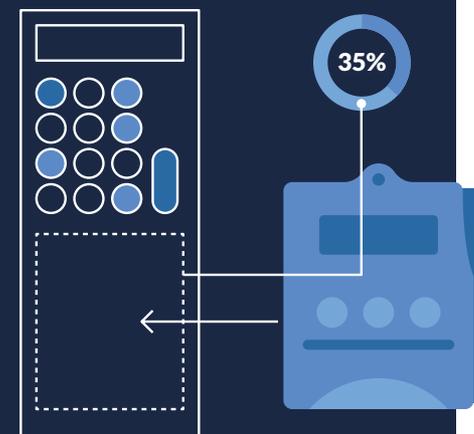
A look at human psychology explains this phenomenon. Cash feels like a finite resource. When a person runs out, they must head to an ATM to pull out more—interrupting their day. A perpetual reminder of spending and a hindrance when it runs out, cash acts as a purchasing-deterrent, even when customers are highly interested in an item. For unattended retail, this becomes even more problematic as customers prioritize perfect increments of money to insert into machines to avoid excessive levels of change or risk receiving no change at all.

3

Cashless transactions transcend the limitations of cash-only payments. By allowing customers to access as much money as they need, whenever they need it, they empower individuals to make purchase decisions on the spot, rather than limit them to pre-planned withdrawals. Not only that, but digital payments also remove change from the equation, eliminating a top barrier to unattended retail purchases.

4

💬 DID YOU KNOW?



Studies show a **35% INCREASE** in top line sales over an **18-month period** after vending machines were equipped with cashless technology.⁴

1

2 CAPTURE MORE TRANSACTIONS. ACHIEVE GREATER SPEND.

For unattended retail, convenience and spending go hand-in-hand.

2

Make it easy to purchase a desired good, and customers won't think twice. Make it challenging to purchase, and frustration will win the day.

Today, 1 in 3 millennials claim they rarely or never carry cash²—ultimately preventing them from making purchases at cash-only stations—with reports showing that 41% of millennials are more likely than other generations to specifically deem paying in cash as inconvenient. While the move to digital may feel like a millennial-only trend, the remainder of the market isn't far behind. Research indicates that 1 in 4 Americans across all age groups state they rarely or never carry cash.² That means these individuals, who often go cashless as a means of convenience, are immediately precluded from making purchases at cash-only venues.

3

By accepting cashless transactions, the unattended retail market opens itself up to a whole new segment of the market, one that has proven itself to value convenience when making purchasing decisions. Empowered to purchase, these card and digital wallet-using customers are then able to participate, not only elevating customer satisfaction, but also the total number of transactions per operation.

4

... DID YOU KNOW?



Research reveals that equipping unattended machines with cashless technology results in a **26% INCREASE** in the number of transactions.⁴

1

3 MAKE EVERY LOCATION YOUR BEST LOCATION.

Location, location, location.

Lauded in the retail market as a fundamental tenet for making the sale, **location also plays a critical role in unattended retail, with certain locations trending toward greater sales than others.** However, when it comes to unattended retail, location isn't always black and white.

More than location, it comes down to how retailers merchandize each location. Take a vending operation, for instance. Whether coincidentally or intentionally, high-performing machines are optimally stocked for the customer segment they serve, and so are a high priority for frequent servicing and stocking. Conversely, low-performing machines often go weeks without servicing—resulting in a costly cycle where machines continue to be stocked with the wrong items, or remain out-of-service for prolonged periods of time, and so performance remains lackluster.

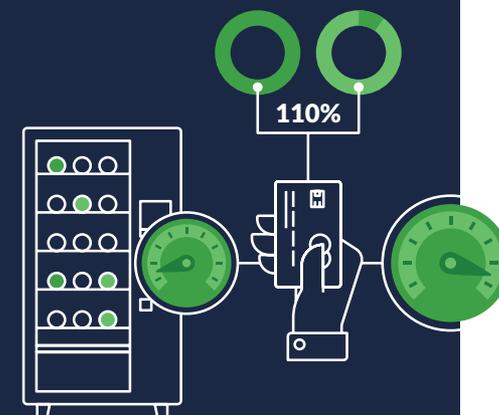
Cashless technology is proven to improve sales at even low-performing stations. At its most basic level, cashless payment options empower customers that don't carry cash to make purchases. Even more than that, however, best-of-breed cashless technology is often accompanied with detailed analytic insights across operations. That means operators are informed on what items sell best, which machines are low on stock, and when machines require servicing—increasing operational efficiency for better performance and greater sales.

2

3

4

💬 DID YOU KNOW?



In the 18 months after adding cashless technology, low-performing machines experienced a **110% INCREASE** in total sales.⁴

1

4 PLACE THE CHOICE IN THEIR HANDS

At the end of the day, customers prefer making choices for themselves.

2

From what they buy, to how much they buy, to how they buy—**customers want the power to remain in their hands.**

3

When considering switching from cash-only to 100% cashless, defined as accepting both cash and cashless payments at every unattended station, this preference for choice comes into play. Recent studies show that when making a purchase, 89% of people want the ability to use a variety of payment methods, with 90% using two payment methods per month and 66% using three.⁵ For unattended operations, that means instead of offering a single, universal payment option, they should offer a myriad of alternates that customers can select from—including cash, credit, debit, digital wallet, identification card, and more.

4

DID YOU KNOW?

After going **100% CASHLESS**, national vending locations experienced:⁴



4 THE FOUR ABILITIES DRIVING CASHLESS SUCCESS

Cashless excellence comes down to more than enabling cashless payments. At the heart of it all is how the digital payment technology extends beyond the payment to empower operational efficiency and flexibility across ever-growing unattended retail networks. **Let's explore the four 'abilities' cashless technology must activate:**



Visibility

First up is location-level visibility.

Oftentimes, machine merchandizing occurs via a guess and check process, which not only impacts the speed at which operators can service machines, but also lacks the by-location understanding of which items customers prefer most. By collecting data from previous transactions and providing insightful reports, **operators can leverage history to more accurately and efficiently merchandize stations.**



Accessibility

Next comes accessibility.

Just because data is collected, does not mean the right people have access to it. In the unattended retail space, where operators and servicing technicians are frequently on the move, **location-level data must be accessible in real time and on-the-go.** Only then are operators empowered with the precision insight needed to improve up-time and performance across their operation.



Flexibility

Third on the list is flexibility.

A major barrier to profitability for low-cost-per-item industries are the steep charges levied per-transaction by credit card companies. To prevent operations from covering costs by levying universal increases that risk isolating loyal customers, **the right technology empowers operators to charge two different prices:** one for card payers and another lower price for cash payers. That means unattended retail stations can cover processing fees, all without passing on price-increases to cash-paying customers.



Profitability

Last up is profitability.

At the end of the day, unattended retail profitability comes down to two factors: how many items a location sells and how much the items cost. While increasing the number of transactions is ideal for bottom line growth, it's easier to sell to a loyal customer than a new one.⁶ Equipped with cashless technology, unattended operations are able to carry higher-price-per-item goods that individuals can pay for digitally, increasing total profitability per sale.

ACHIEVING CASHLESS EXCELLENCE WITH USAT

USAT's Cashless platform introduces cashless convenience to unattended retail. Whether they prefer to pay with debit / credit cards, digital wallets, identification cards, or cash, customers are given the power to choose—leading to greater satisfaction, a higher number of transactions, and even more sales. Plus, paired with Seed Cloud, unattended operators are empowered with insight into locations, enabling remote visibility to optimize merchandizing, route scheduling, and servicing.



About USA Technologies

USA Technologies, Inc. is a software services company that provides end-to-end technology solutions for the self-service retail market. With nearly 1 million connections worldwide, USAT is transforming the entire unattended retail community by offering one solution for payments processing and operations management. The company's enterprise-wide platform increases consumer engagement and sales revenue through digital payments, digital advertising and customer loyalty programs, while providing retailers with full control and visibility over their operations, their inventory and their people. As a result, customers ranging from vending machine companies, to gas and car charging stations, laundromats, metered parking terminals, kiosks, amusements and more, can more proactively, predictably, and competitively run their business.

Through the power of the USAT platform, unattended retail operations gain access to:

-  **Cashless payment options**, including cards, digital wallets, and identification cards.
-  **Two-Tier Pricing** that allows operators to sell items at two price points: full price and a cash-only discount.
-  **Remote, real-time access to data** to identify purchasing trends and inform decision-making in regard to stocking, servicing, and scheduling.
-  **Dynamic route scheduling** to optimize merchandizing of stations and improve up-time and performance.
-  **24/7 live Help Desk support** for both merchant and customer inquiries.

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