4 WAYS TO

Grow Revenue & Streamline Your Amusement Operations

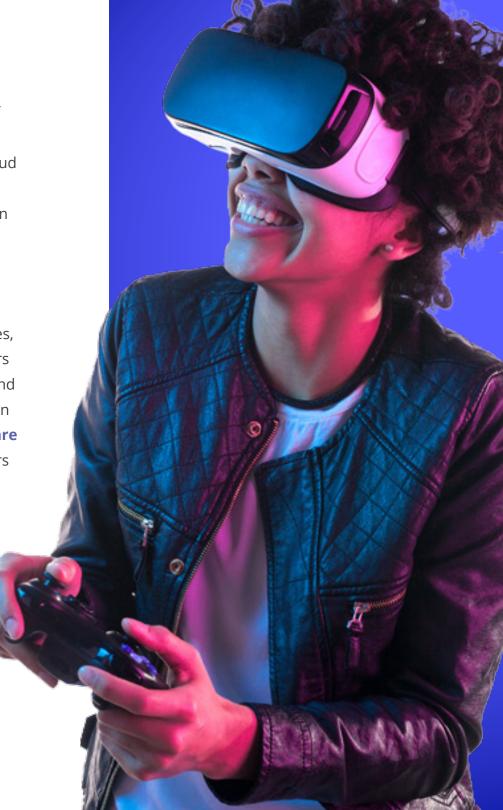## The impact of cashless technology beyond enabling payments
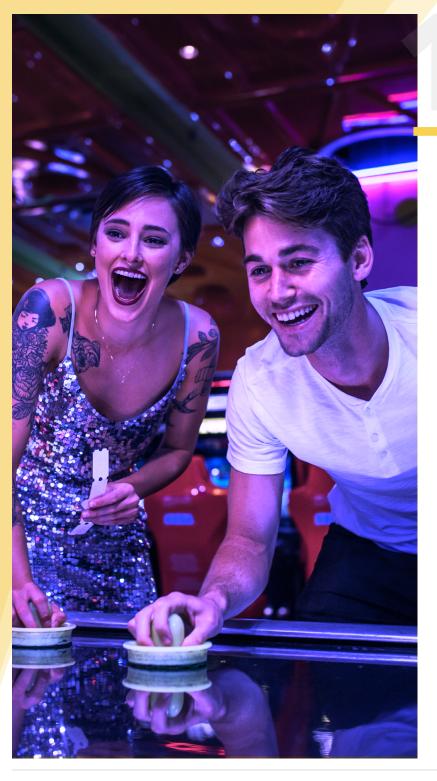
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INTRODUCTION:

The rise of unattended retail – from yesterday's vending machines full of candy and soda to today's upscale Amazon Go stores located across the United States – all started with the ability to connect machines to the cloud to enable **faster, more convenient methods for delivering goods and services to consumers** where they work, play, or at home. The growth in unattended retail extends across verticals such as traditional food and beverage vending machines, vehicle services such as air-pumps, and amusement where you might play for a chance to win a stuffed animal.

Amusement and arcade, which can include claw machines, arcade venues, and amusement parks, all provide ways to engage and delight consumers with pay to play entertainment. As new consumers such as Millennials and Generation Z enter these markets, we are seeing a new paradigm happen where **cash is no longer king, and mobile wallet, credit/debit cards are taking over the payment preference.** So how do amusement operators adapt?

Implementing cashless technology should focus on solving two challenges amusement businesses face today: 1) How do I increase sales/revenue? 2) How do I manage and optimize my growing business, so machines stay up and running all the time? This guide will provide you solutions to these common challenges through sharing **4 Ways to Grow Revenue and Streamline Your Amusement Operations.**
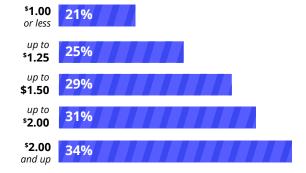
LET'S EXPLORE HOW ⊙

1 INCREASE SALES WITH FLEXIBLE PAYMENTS FOR CONSUMERS

In a 2018 survey, payment processor TSYS asked 1,222 consumers which payment form they prefer. **Fifty-four percent chose debit cards, while 26 percent selected credit cards, and only 14 percent specified a preference for using cash** (1). In order to engage consumers of all ages and demographics it's important that you consider adding on secure cashless acceptance to your machines. In a case study conducted by USA Technologies on Sneakers Synidcate and their Key Master machines, the customer found that **in the first month after installing cashless technology, cash sales remained roughly the same, while cashless led to a 45 percent increase in intake.** In other words, his overall sales nearly doubled, without cannibalizing cash (2).

Sneakers Syndicate is a good example of how cashless technology not only can enable you to attract new customers, but more specifically customers who traditionally don't have the right change in their pocket to play in the first place. Data shows that **the higher price it is to play an amusement machine, the more likely a consumer is to use cashless payments** to make a purchase (see chart).

Percent of Cashless Sales by Vend Price

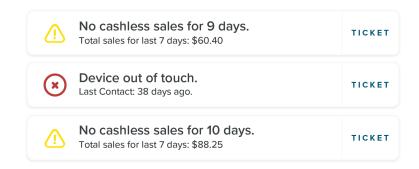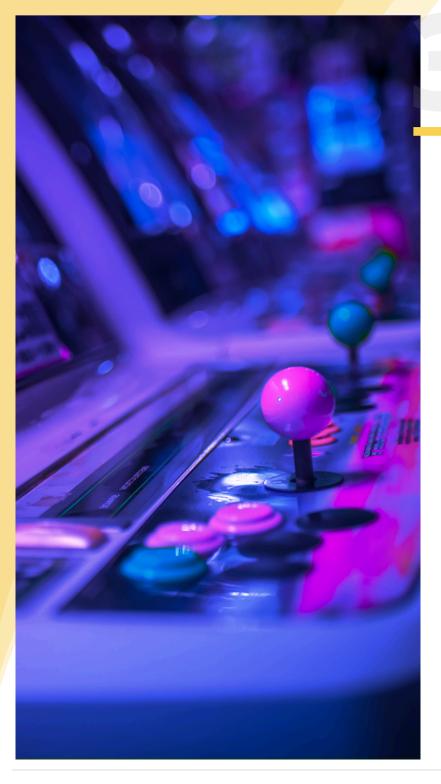|	
$1.00 or less	21%
up to **$1.25**	25%
up to **$1.50**	29%
up to **$2.00**	31%
$2.00 and up	34%

GAIN ACCESS TO FULL SALES TRANSPARENCY

Cashless technology not only delivers convenience to your consumers by offering flexible payments, but one of the big underlying benefits is that it can **connect your machine to the cloud for complete visibility and transparency** into your operations. Cloud solutions can make integrating your on-premise assets with the myriad of consumption formats an achievable future state without the need for significant capital investment (3). Investing in cashless technology now has a greater ROI when you equate in the data you will be able to view anywhere you want, at any time.

Gain full access to cash sales, cashless sales, and flexible cash discounts all through an intuitive portal for managing devices, locations and overall performance. Eliminate the need to rely on partners for providing sales data weeks or months after the transactions occurred and gain full access into the data in real-time. Cashless technology can even **streamline revenue sharing models so both parties know exactly what was processed**, and how much is due to each person/entity. Understanding and utilizing cloud technologies can be significant catalysts in helping to jumpstart initiatives that will improve your business (3).

Cashless Alerts

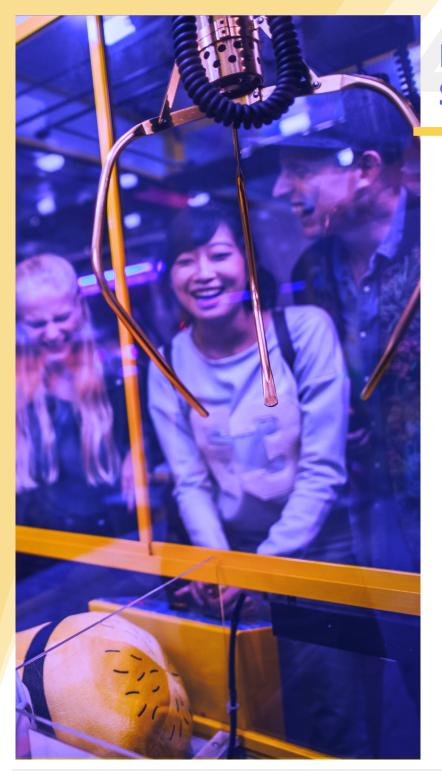| ⚠️ | **No cashless sales for 9 days.** Total sales for last 7 days: $60.40 | TICKET |
| ❌ | **Device out of touch.** Last Contact: 38 days ago. | TICKET |
| ⚠️ | **No cashless sales for 10 days.** Total sales for last 7 days: $88.25 | TICKET |

OPTIMIZE DAILY UP-TIME WITH MACHINE-LEVEL MONITORING

Visibility into machine performance can provide additional layers beyond sales and transactional data. Implementing cashless technology can also unlock **remote monitoring benefits that help you increase productivity, reduce operational costs, and enhance the user experience.** Get real time alerts when machines go offline or online so that you can track and gauge if there are connectivity issues at a location, enabling you to act on the data rather than wait for a customer/client to call you with an issue—often resulting in longer periods of machine downtime.

According to Dimensional Research, a bad customer service experience resulted in 59% of customers ceasing business with that company, and 55% going to a competitor (4). **Imagine if you could prevent and limit negative customer experiences?** What if instead, you could know about a machine issue, deploy a technician and get it fixed within minutes or hours, rather than days? This is all possible with cashless technology that gives you advanced remote monitoring capabilities to drive greater profitability within your business.

59% OF CUSTOMERS DON'T RETURN AFTER A BAD CUSTOMER SERVICE EXPERIENCE

REWARD LOYAL CONSUMERS SO THEY COME BACK AGAIN

These days, rewards programs are far more sophisticated than the punch cards of days past (5). According to a report released by Forrester Research, 72 percent of adults online belong to at least one loyalty program and those enrolled in loyalty programs report that they belong to nine, on average (5). **Being able to offer flexible loyalty programs or promotions to encourage consumers to spend more**, more often, will only help to drive additional revenue for your business.

Use machine data to know when peak times are occurring and how to capitalize on times where sales are at a lull with offering tailored promotions for encouraging consumers to get a free play. Whether it is through QR codes or extended directly to the device located at the machine, promotions can be enabled for your amusement business. All of this technology can be available through one platform that services all of your amusement needs including secure cashless payments, sales performance data, remote machine monitoring, and loyalty program flexibility.

72% OF ADULTS ONLINE BELONG TO AT LEAST ONE LOYALTY PROGRAM

INCREASE REVENUE & OPTIMIZE YOUR BUSINESS WITH USA TECHNOLOGIES

USA Technologies' unattended retail platform provides amusement operators the ability to deploy secure cashless payments and monitor their network of machines all through a centralized cloud-based platform. Whether your consumers prefer to pay with debit/credit cards, digital wallets, 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 your entire business.

Discover More About USAT Solutions ⊙

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This case study was created during the Company's tenure as USA Technologies, Inc. The Company rebranded to Cantaloupe, Inc. April 19th, 2021. For contact information please visit www.cantaloupe.com.

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About USA Technologies

USA Technologies, Inc. is a cashless payments and software services company that provides end-to-end technology solutions for the self-service retail market. With over 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.

1. https://www.creditcards.com/credit-card-news/payment-method-statistics-1276.php
2. Sneakers Syndicate Case Study, USA Technologies, 2019.
3. https://www.blumshapiro.com/insights/benefits-cloud-computing-globalization-digitization-boston-hartford/
4. https://www.business2community.com/customer-experience/59-of-customers-dont-return-after-a-bad-customer-service-experie
5. https://www.forbes.com/sites/tinamulqueen/2018/08/01/beyond-points-companies-are-using-innovative-rewards-programs-to-draw-in-customers/#18bd4c1b732d