



How the Right Technology Will Help Grow an Empire

The Situation

It can be a common misconception that as an independent vending operator you must run your operation as lean as possible. There are those who believe that the cost of technology platforms only make sense for large-scale operators. The reality is, the right technology offers countless opportunities to maximize efficiencies and improve productivity.

Like many successful businesses, Empire Vending was born in a garage outside Houston, Texas. Jonathan Abernathy, Founder and Director of Operations, launched Empire with just one route, in 2012. He knew that better data was necessary to run a more efficient and profitable business and refused to believe that the Company would not benefit and grow from going cashless or implementing a logistics software solution. Today Empire Vending has grown to a total of five routes, has installed cashless devices across all vending machines in their operation, and has expanded into micro-markets with plans to add more. Their decision to implement technology into the business has enabled them to grow faster and operate like an industry-leading national vendor.

The Challenges

To better service customers and create greater efficiencies, Empire Vending searched for a best in class technology platform that would address its top pain points:

Manual Processes

For a vending operator, it is critical to have systems in place that track inventory, warehouse operations and cashflow, as well as provide data analytics – a component at the core of almost every business decision and key to capitalizing revenue. When Empire Vending launched its operation, tracking inventory, scheduling, maintenance, and driver routes, were all managed with pen and paper.

The Company had invested in large box trucks that were expensive to maintain and keep on the road, but necessary to transport mass amounts of product. At the warehouse, drivers lacked information to enable pre-kitting, so would stock the trucks with all the merchandise they could handle. They also utilized static scheduling to service their machines as well as manage their routes, with absolutely no data or insight into what product the machines actually needed. In addition, the drivers were also responsible for cash collections and reporting revenue. Empire recognized that it did not know how much of the inventory was being loaded into the trucks or its destination - as typically drivers were only able to accomplish four or five stops per day, or whether it had true cash accountability across the operation.

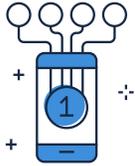
The team at Empire knew they needed to reduce the cost to maintain the trucks, automate their manual processes where possible, and get greater cash accountability on collected revenue. They had to find a technology solution, that would help systemize certain tasks, like managing inventory and optimizing stock levels. While at the same time, maximize operational efficiencies, and provide accurate cash management.

Meeting Changing Consumer Needs

In order to meet customer demands, vending operators must provide the consumer with flexible payment options. From the beginning, Empire knew there was considerable need to implement cashless payment options across its machines. It could be too costly to pay the fees associated with accepting credit cards, however, it saw the application of credit card readers as an opportunity for growth. Empire also recognized that elevating the customer experience went beyond offering flexible payments, and that there was value in having insights into the customers' buying habits.

The Solution

Empire Vending chose Cantaloupe's Seed Cloud™ platform as its solution to help implement cashless payments across all its vending machines. The feature-rich Seed logistics platform allows the Company to consolidate management of its operation: tracking and managing inventory, route scheduling, machine merchandising and overall revenue. In cooperation with Cantaloupe's dedicated Customer Success Manager, the team at Empire was able to onboard all of their machines into Seed, aggregate the data in one place, and create organizational efficiencies that would not have been possible with its previous "pen and paper" manual processes.



Greater Control. One View:

As a result of incorporating the Seed platform into the business, Empire was able to reduce operational costs in several areas and gain greater visibility into its locations. It implemented pre-kitting which allowed it to migrate from large box trucks to more affordable and eco-friendly transit vans, a significant cost savings in terms of fuel and maintenance costs. With greater controls in place, collections per visit increased by 68%, resulting in an average collection per visit of \$124.



True Route Optimization

Since implementing Seed Cloud across its operation, Empire has shifted all of its routes from static schedules to dynamic schedules. Now that Empire can accurately track each machine's overall performance, service schedules are created based on historical, real-time, and predictive demand data. The Company discovered they were underservicing certain machines and missing out on revenue opportunities. Now it has a better view as to what products are needed and which products sell more. In addition, dynamic scheduling, mixed with pre-kitting, has increased the drivers' stops from 4-5 stops per day to about 10-11 stops per day, which has helped them to double their weekly route averages.



Exceptional Experiences, Every Time.

Today, Empire Vending is almost completely cashless enabled across its machines, and in giving customers flexible payment options, top line sales have increased by 22%. The ability to use cashless payment types has also increased the average ticket price by 42%, as consumers are willing to pay for more expensive items when given the option to use a card or mobile wallet.

As a result of the Seed Cloud deployment, Empire leverages sales data and customer habits to put the right type of items in its machines. The company also recently incorporated Cantaloupe's ePort Interactive devices for advertising those products and promote relevant services to its consumers.

Visit www.cantaloupe.com to discover how Seed Cloud can bring operational efficiency to your business.

The Results

With the adoption of Cantaloupe's ePort Cashless devices and Seed Cloud platform, Empire Vending has been able to grow its business:



Empire experienced a **2X increase** in the number of machines serviced per route;



Seed Cloud enabled it to increase its **fills per visit by 57%**



Empire realized a **22% increase in top line sales** after installing cashless, with 66.2% of its overall transactions being cashless



Empire experienced a **107% increase** in route volume averages.



"We required a proven vending IT automation solution that would give us deep visibility into our business processes. Cantaloupe's Seed Cloud platform delivers a comprehensive IT automation solution that is well suited to the needs of Empire Vending and has allowed us to scale the business efficiently, as we continue to grow."

—Jonathan Abernathy