

CAJUN VENDING RINGS UP MORE SALES BY GOING CASHLESS

Southern Louisiana-based Cajun Vending is a locally owned and operated vending company that has been serving business' snack, beverage, fresh and frozen food needs for more than 23 years. In his 10 years with the company, general manager Derek Franklin has learned that "Nothing is predictable in the vending business." Except, as is often the case, change – specifically in this case, the rapid development, deployment and evolution of vending technology.

Franklin believed strongly enough that advanced technology was essential to support the continued growth and profitability of Cajun Vending that he enthusiastically spearheaded the company's implementation of an end-to-end vending solution from Cantaloupe Systems. He instinctively understood that Cantaloupe Systems' cloud and mobile solutions would provide Cajun Vending with full control of and visibility into its business, and in doing so, would increase sales and profitability. He was particularly enthusiastic about the implementation of Cantaloupe Systems' Seed Cashless™ solution.

Franklin's belief in the importance of accepting cashless payments to Cajun's continuing growth was validated even as he was in the process of implementing the solution on the company's nearly 500 machines. "As I was installing Seed Cashless on our machines," he recalls, "people would come up to me and ask what I was doing. When I explained that we were enabling the machines to accept cashless payments, they just lit up like it was Christmas. They were thrilled that we were doing that because as many of them told me, people don't carry much cash anymore. I would hear it at every customer location: 'I don't carry cash.' And it wasn't just the younger folks. It was everyone regardless of age."

"The first thing we saw with going cashless is that the customer's payment goes directly into our bank account as each product is sold. There's no waiting for the machine to be serviced and for the cash to be brought back to the office. Also with cash, sometimes all the cash doesn't make it back to into the bank due to theft. And there are other costs associated with cash. Money room operations add staff costs, and the costs of bill and coin counting machines and their maintenance are substantial. Coin counters, for instance, can cost upwards of \$10,000."

- Derek Franklin, General Manager, Cajun Vending

"Going cashless was almost a no brainer for us. I'd seen how people were using their credit cards and phones more and more for all kinds of purchases, so I knew this would be a powerful capability for us to offer our customers."

- Derek Franklin, General Manager, Cajun Vending

FAST FACTS

COMPANY: Cajun Vending



HEADQUARTERS:

Houma, Louisiana

NUMBER OF MACHINES: 495

NUMBER OF CASHLESS
MACHINES: 340

NUMBER OF CUSTOMERS: 174



SMART TECHNOLOGY DRIVES DRAMATIC GROWTH

Cajun Vending is a family owned business that was founded in 1993 by Franklin's grandfather. Richard Franklin started the company running four machines out of a step van. Today, the company has grown, both organically and through acquisitions, into an organization that serves much of Southern Louisiana with multiple routes and nearly 500 machines. Cajun Vending continues to grow at a rate of about 10 new machines a month, with plans to expand into additional geographic areas.

Technology is nothing new to Cajun Vending. "Prior to standardizing on Cantaloupe Systems," says Derek Franklin, "we implemented a VMS solution from one vendor and a cashless system from another. This mix of technologies was difficult to manage and was inefficient. We decided to implement Cantaloupe Systems to allow us to tie everything together on a single platform."

Cajun Vending has implemented the Cantaloupe Systems cloud and mobile solutions for cashless vending, dynamic route scheduling, automated pre-kitting and merchandising and inventory management. "Cantaloupe," says Franklin, "helps us keep track of inventory, the specific items that are selling at specific locations and for adjusting our planograms to maximize the number of days between servicing machines without selling out of items. Our Cantaloupe system sends out alerts if machine inventory is running low or if machines are not working properly. That enables us to deliver better customer service, reduce costs and generate larger margins."

CASHLESS DELIVERS RAPID, SIGNIFICANT RESULTS

Recently, however, it's Cantaloupe Systems' Seed Cashless that has Franklin most excited. Since implementing Seed Cashless on its machines, Cajun Vending has seen immediate positive results such as:

- > **Direct deposit into Cajun's bank account:** There was no waiting for the machine to be serviced or for the cash to be brought back to the office.
- > **Reduction of theft:** Sometimes all the cash doesn't make it back to the bank due to theft.

> **Static costs of cash eliminated:** Money room operations and the costs of bill and counting machines are substantial. Coin counters, for instance can cost upwards of \$10,000.

> **Acceptance of all major payment methods:**

Customers can pay with all major credit cards and smart phones using Google Wallet and Apple Pay (and other systems in the future.

Franklin explains, "the last thing we want is for a customer to walk up to one of our machines and realize he doesn't have any cash or enough cash and as a result, we lose a sale. Almost everyone always has a credit card or phone with them."

INCREASED SALES, REDUCED PRICE SENSITIVITY

Franklin has noticed a definite increase in sales since implementing Seed Cashless. *"About 95 percent of the sales increase we're seeing is attributable to cashless. We've got some machines on which almost 80 percent of the sales are cashless. And it's not just the increase in the number of sales, it's also the fact that when people are using credit cards or their smartphones to pay, they're less price sensitive. So, we're selling more premium, higher priced items as well. We're seeing machines that were doing \$50 a week jump to \$100."*

"The bottom line," says Franklin, "is that we're not going to lose a sale because our service is bad or because a customer doesn't happen to have cash on hand. Thanks to Cantaloupe Systems solutions, our machines are full, they're working and they can accommodate customers' payment preferences. That seems like a win/win to me."

ABOUT CANTALOUPE SYSTEMS

Cantaloupe Systems is the refreshment industry's premier provider of cloud-based, mobile solutions for vending, OCS, and micro markets.

To learn how you can benefit from adding cashless payments to your business, call Cantaloupe Systems at **(415) 525-8100** or visit us at **www.cantaloupesys.com**.