HOW COIN DISPENSERS IMPROVE THE BOTTOM LINE

An executive briefing on how coin dispensers improve speed of service, streamline cash handling and improve the bottom line.

CRANE® PAYMENT SOLUTIONS
Executive Summary

Crane Payment Solutions (formerly Telequip®) is the leading manufacturer of coin dispensers, with nearly 600,000 units installed worldwide. Coin dispensers at the Point of Sale have been shown to improve the bottom line through faster service, more efficient cashier productivity and reduced shrink. The end result is improved customer satisfaction and an increase in sales.

During one of the most challenging economies and competitive markets in years, retailers continue to search for ways to grow sales, reduce operating expenses, and improve their profitability. To help deliver on these strategic initiatives, retailers are implementing new technologies to help drive productivity and improve customer service.

Crane Payment Solutions’ T-Flex™ Coin Dispenser can help deliver on the following efficiencies with an excellent return on investment:

• Save between 3 to 7 seconds per cash transaction
• Streamline customers through the transaction queue
• Save manager time replenishing coin and reconciliation
• Improve till accuracy
• Reduce cashier training time and stress

Retail Priorities

When making capital investment decisions, Retail Executives look for ways to boost productivity and increase customer satisfaction. The coin dispenser is an excellent complement to any retail Point of Sale system by dispensing change instantaneously and accurately. The use of coin dispensers help:

• Save time on every cash transaction at checkout
  • Saves 3 to 7 seconds per cash transaction
  • Employees focus on the customer - not on counting change
  • Improves customer service

• Improve cashier productivity
  • Service more customers faster
  • No time spent counting coins
  • No wait time for coin roll replenishment

“Speed of service in our busiest locations has improved by 20% with the T-Flex™, and that allows us to service additional guests during peak hours.”

Bryan Lim, Director of Development, Panda Express

Dunkin’ Brands reports that for every 7 seconds saved, franchisees increase sales
• Promote efficient cash management
  • Less time spent auditing coin
  • Less management time replenishing coin

• Reduce shrink
  • Coin is locked in the canister
  • Improves accuracy
  • Dispenses exact change only
  • Cash drawer is open for less time

Coin Dispensers Save Time on Every Cash Transaction

Streamline Customers Through the Transaction Queue

As time to make change is reduced, cashiers can service more customers in the same amount of time. This increases customer throughput and improves cashier productivity.

By placing the coin dispenser beyond the POS system, the next customer moves into the queue faster. And we’re told customers never count their change from the machine because they trust it’s accurate. All of these factors keep the line moving more efficiently, which allows you to service more customers during peak hours.

Speed of service is never more important than at the Drive Thru. Every second counts, and the T-Flex™ reduces cash transactions by 3 to 7 seconds. The T-Flex™ has proven to be a great asset at the Drive Thru. The cashier takes the coin from the cup and hands it to the customer. It’s fast and efficient.

One of the QSR industry’s largest retailers reports that coin dispensers, along with other measures, boosts Drive Thru production by an additional 18+ cars per day.
Return on Investment Using Coin Dispensers

Time studies vary on the amount of time saved using coin dispensers, but the savings are significant, between 3 and 7 seconds per cash transaction. This can increase your throughput by approximately 5 customers per peak hour. The example below shows the value of increasing throughput by 5% with four peak hours per day.

When you consider improved cashier productivity and other labor-associated costs; coin dispensers prove to be a productive solution in raising revenues, reducing costs, and improving customer satisfaction. On average, our clients report a Net Payback Period of under one month.

Actual store pilot results, along with your particular metrics, will provide a clearer understanding of what the Return on Investment can be as a result of the implementation of coin dispensers.

<table>
<thead>
<tr>
<th>General QSR Example of Return On Investment</th>
<th>Without a T-Flex™ Coin Dispenser</th>
<th>With a T-Flex™ Coin Dispenser</th>
<th>Increase</th>
</tr>
</thead>
<tbody>
<tr>
<td>Customers per Day</td>
<td>415</td>
<td>436</td>
<td>21</td>
</tr>
<tr>
<td>Average Revenue per customer</td>
<td>$6.35</td>
<td>$6.35</td>
<td>(no delta)</td>
</tr>
<tr>
<td>Revenue per Day</td>
<td>$2.636</td>
<td>$2.767</td>
<td>$132</td>
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<tr>
<td>Revenue per Month</td>
<td>$79.058</td>
<td>$83.010</td>
<td>$3,953</td>
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<tr>
<td>Operating Margin %</td>
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<td>35</td>
<td>(no delta)</td>
</tr>
<tr>
<td>Gross Profit per month</td>
<td>$27.670</td>
<td>$29.054</td>
<td>$1,384</td>
</tr>
<tr>
<td>Gross Profit per year</td>
<td>$332.042</td>
<td>$348.644</td>
<td>$16,602</td>
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</tbody>
</table>

“In the time it takes to manually count out coin, you could lose a Drive-Thru customer. The T-Flex™ is worth every penny!”
Sami Al-Ali, Subway
Improve Cashier Productivity

When the cashier saves time by not counting out change for the customer, they can focus on more important things, such as getting the customer’s order accurate, replenishing service items at the front counter, and providing friendlier customer service.

And shift changeover is faster, too. The cashier no longer has to count out all that change when turning in their drawer. They look at the calibration strips on the canister and add it to their drawer total. It’s simple and efficient.

“Since putting in the coin dispenser, we have noticed that shift changeover is faster than ever before. Now it only takes the cashier 3 to 4 minutes to cash out at the end of their shift, when before it was ten minutes.”

David Mejia, Firehouse

Promote Better Cash Management

Reducing labor time for till management and coin replenishment at the POS significantly contributes to more efficient cash management. Wait time for coin replenishment in the lane is reduced, if not eliminated with the coin dispenser. That means Managers can focus on more important tasks.

Coin canisters are equipped to handle larger capacities (>$110) than tills (~$25) and replacement canisters are prepared at the start of the day to swap out depleted ones, if needed. The filled canister can generally handle over 200 cash transactions. This not only reduces non-revenue producing time for cashiers, but management time as well.

Balancing, reconciliation & auditing are all less time consuming with the T-Flex™. Less management time is spent auditing coins and counting it multiple times daily. Calibration strips on each column provide a quick visual audit for the dollar value of coins in the canister.

“There’s the benefit of not dealing with rolled coins in the till all day or delivering rolled coins throughout the shift. The entire process is just faster.”

Sally Saad, Charley’s Grilled Subs
Reduce Shrink

When long lines back up, cashiers tend to get more stressed, and that’s when mistakes happen. Mistakes take time and reduce customer satisfaction.

The use of coin dispensers not only increases the speed of cash transactions but also results in accurate transactions by distributing change in the exact amount, thus minimizing accidental or administrative loss.

A coin dispenser requires the cashier to ring in the customer’s order to execute the transaction and dispense the correct change. With the coin cup facing the customer, the cashier does not handle the coin going to the customer, making it difficult for the cashier to substitute a different amount of change in an attempt to short ring an order. And, the cash drawer is open for less time, reducing the access to unattended cash.

On average, our clients report a cash shrink recovery rate of 10% - 20% after implementing the T-Flex™.

“Accuracy is another major reason to have coin dispensers. Prior to the T-Flex™, we could see upwards of a $5 shortage on any given day. We’ve now reduced that to between .50 and $2.00 per day.“

Sally Saad,
Charley’s Grilled Subs

Improve Customer Satisfaction and Increase Sales

A significant number of customers (over 10%) who leave a store without making a purchase indicate that long lines were the reason. The improvement in speed of service allows more transactions to be processed, capturing what would otherwise be customer abandonment.

Frequently, the deployment of coin dispensers results in an average increase in customer counts of 5 or more per peak hour. Faster, accurate service improves customer satisfaction, so they’ll continue to come back again and again.
About Crane Payment Solutions

Crane Payment Solutions (www.craneps.com) is the leading supplier of a full suite of automated money handling solutions and is dedicated to the development of state-of-the-art payment management systems worldwide. Crane Payment Solutions offers the widest range of components for integrated payment systems available today, including CashCode, NRI, Money Controls and Telequip branded product portfolios. One of the payment solutions designed solely for the retail market is the T-Flex™ automated coin dispenser for both assisted service and self-check-out lanes. Crane Payment Solutions is synonymous with quality, reliability, and longevity, delivering products that are second to none.