

Systopia Resource

Cashing In...

With recent research by The Payments Council revealing that cashless transactions have now overtaken the use of notes and coins¹, Chris Lyons, Managing Director of Systopia International, tells us why hospitality operators are making the switch to a cashless business.

- **Cashless is here to stay:** "The rise of cashless payments has been on the map for some time and shows no sign of slowing down. With society becoming increasingly 'mobile' focussed, reflected in the recent launch of Apple Pay, consumers have come to expect efficient and quick payments in catering establishments, which are only made possible through cashless transactions."
- **Understanding your customer:** "In a highly competitive marketplace, understanding your customer is the key to success for any catering business. By going cashless, operators will have access to real-time sales data which will not only tell them what the most popular menu items are, but also peak serving times, the average spend per customer, emerging food trends and items which aren't selling well. Using this data, caterers can amend their offering accordingly to meet the ever-changing needs of consumers."
- **Increased profits:** "By understanding the consumer and facilitating fast and convenient transactions, caterers will see a direct impact on their bottom line, by not only being able to serve more customers, but by only selling items which appeal to their core customer base."

However, the benefits of going cashless will not only improve the efficiency of a catering operation and increase profits, but ultimately and most importantly, it will increase customer loyalty...

...Voting with your Feet

With the foodservice industry becoming increasingly competitive, building customer loyalty has never been so important. Keeping your customer base is often the difference between a profitable and 'stand still' business. But how can you get the upper hand over competitors?

Well...investing in cashless payment systems is an option; with numerous benefits to make consumers' experiences in your establishment a positive and memorable one.

- **Offering virtual loyalty schemes** which make it easy for consumers to accumulate points which can be redeemed against food and drink items, or offer in-transaction promotions like BOGOF.
- **Implementing loyalty schemes which deliver CSR objectives**, such as reducing waste levels. For example, one of our clients cut down their disposable waste by 16% by offering their customers loyalty points for using crockery rather than disposable containers. This saved them from buying a staggering 176,613 disposable containers.
- Running initiatives which **inspire healthy eating** by offering loyalty points against 'healthier' menu items. This makes consumers feel good about their dining choices and encourages repeat purchase from consumers looking to build up their loyalty points and redeem rewards.
- Using analytical tools provided by cashless payment systems to **tailor promotions to match consumer's spending habits**. For example, our system can highlight consumer's favourite items and using our internal database, operators can offer consumers personalised promotions, via their cashless account, against these items, helping to foster and build relationships.
- **Delivering a more efficient service**. Our cashless payment systems have proven to reduce queue time by 58 seconds and by making payments quicker, staff members will have more time to focus on customer service and improve the overall consumer experience.
- **Offering consumers more opportunities to collect and redeem rewards**. Using cashless payment systems, loyalty points can be accumulated at both point of sale and via a mobile app, meaning consumers can automatically participate in loyalty

schemes at each transaction, rather than having the hassle of physical voucher / stamp cards.

With the UK foodservice sector set to grow to £56.3 billion by 2019ⁱⁱ, it is now more important than ever that caterers adapt their operations to meet the changing consumer trends and safeguard the future of their business by developing strong customer loyalty.

To find out more about how your business can increase its customer loyalty through cashless payment systems, visit www.systopia.co.uk or call 0800 085 2056.

ⁱ BBC News, May 2015: <http://www.bbc.co.uk/news/business-32778196>

ⁱⁱ Horizons, March 2015