

## Marketing Munchies Podcast Transcript

### Episode #14: Going Cashless

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Announcer: Welcome to the Marketing Munchies Podcast series hosted by Dr. Bridget Behe. Each week Bridget and her guests will share information, insights, research-based findings, and her 30 years of experience to help your horticultural business connect better with current and future customers. Now, let's join our host, Dr. Bridget Behe.

**Dr. Bridget Behe:** Hi, and welcome to this episode of the Marketing Munchies Podcast. I'm, your host, Dr. Bridget Behe. This week I want to talk about Going Cashless. I was on a recent visit to a retailer here in Michigan, and they told me that this year, for the first time, they were going to go cashless. Wow! What a bold move! Well, when we talked about it a little bit, I asked them what some of the advantages might be for the seller. And he said, "Well, primarily safety." They are no longer going to count large amounts of cash in the back room and be concerned about who is making those deposits every day. Safety is a real concern and was one of the big drivers for the decision to go cashless this year.

You add to that some other pretty compelling advantages like checkout speed. This company calculated that it would take 90-180 seconds (a minute and a half to three minutes) for somebody, especially if they were slow, to write a check. Now, realize too, that some of the checks that get written are going to be bad checks, and they are going to bounce. However, to swipe a credit card, it took 15-20 seconds. You dramatically reduced that check-out line, both for you, the seller, and for the consumer.

They further increased their check-out speed by getting permission from the credit card companies to opt out of the signature. Really, the only time investment that's going to be needed in line, is the time that it takes to scan the plants and to create the total. The actual check-out and payment really is going to go fast.

Now, the speed at the check-out line is going to make consumers happy, but it's also going to mean less labor. At any one time, the business is going to need fewer cashiers, because they've increased the speed. They might bring in a few additional customers, but early on they're concerned about maybe some push back from their customers who only carry cash.

Now, another advantage that they cited was maybe appealing to a younger age cohort. Many of the people under age 30 have very little cash in their wallet, and so paying with cashless means might be a real advantage to them.

And, lastly, they cited the ethical high road. Sometimes they know, when a local business comes in with a big wad of cash to buy quite a few plants, that maybe the cash wasn't reported to the IRS. For them to take the ethical high road, they know that all of their sales will be reported, and that they'll only be able to take electronic payments. They won't participate in some of the other businesses cash dealings.

Now, if everything were the upside, everybody would do it this year, but what are some of the disadvantages to the seller? Primarily, some customer push back—not everyone has a credit card (even in 2018). And, they might be reluctant to use that credit card, because we have heard in the news quite often about companies, large and small, being hacked and having individuals' credit card information stolen. This particular retailer told me that they were not going to keep the records—that they were going through a third party, and that company was responsible for keeping the records. For the company, and for the consumer, hackers should not be a big deal at this point.

Now, if we went cashless, what would be the advantage for the consumer? Having talked about all the advantages for the seller, what would be the advantages for the consumer? Primarily, that's going to be check-out speed. No longer are they going to have to wait in line for that person to write a check or dig in their purse or dig in their purse for that last \$0.50. It really should speed things up, especially if the retailer has a good point of sales system. That would almost be mandatory before you could go cashless. Many of us already have electronic payment mechanisms set up. I'm sure many of the listeners have Apple Pay or PayPal or Venmo or Square or Google Wallet. The convenience of being able to check out through your favorite garden retailer, in a cashless way, could be really handy as well. Also, then, for the consumer, not carrying around a large amount of cash that could get lost or get stolen—the safety element is there for them as well.

How about those disadvantages? Well, you got to have that plastic or your phone. If your phone dies, there won't be any wallet to pay for it. No phone, no wallet, no plants. They've also got to trust the retailer. That they're not going to be hacked. That their information isn't stolen or their credit card information isn't stolen.

Lastly, some consumers might be concerned about traceable purchases. Is Big Brother or Uncle Sam watching? With the cashless payment systems usually those can be traced. But, it's interesting that a retailer in Michigan (a retailer of plants in Michigan) would be interested in going cashless in 2018. Not just for some of the advantages they see for their own business, but for some of the advantages that they see for their consumers.

Are you ready to go cashless? I'll be interested to hear your feedback on the podcast. Thanks for listening.

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**Announcer:** Thank you for joining us on this week's Marketing Munchies Podcast. For more information or to download the transcript of this podcast, please visit, [connect-2-consumer.org](http://connect-2-consumer.org). That's C-O-N-N-E-C-T, dash, the number two, dash, C-O-N-S-U-M-E-R, dot, C-O-M.