Smartphones have quickly embedded themselves into our lives. In less than 10 years, they have advanced from being a minor blip on the technological landscape to being the dominant force. Customers made this happen. The technology provided a right-sized solution to basic communication, socializing and individual entertainment. Currently, there are many articles in trade magazines just like this one talking about what comes next, and the answer is mobile payments.

Convenience has been the main driver of the growth in the number of people who make mobile payments using their smartphone. In fact, the results of a December 2013 study commissioned by online statistics portal Statista showed that when asked the question “What are the main reasons you started using mobile payments?” the top answer, with 37.1% of respondents selecting it, was “I liked the convenience of mobile payments.”

In late 2012, coffeehouse chain Starbucks created a mobile-phone app that allows its customers to pay for their purchase at any of the company’s locations using their Smartphone without the need to swipe a credit card or exchange cash with the cashier. Not surprisingly, Starbucks was one of the first retailers to make a dedicated effort to tap into the ability that their customers have to make purchases through their Smartphone without the need of cash or a credit/debit card.

When Starbucks introduced the service in the fourth quarter of that year, the company processed 2.1 million mobile-app payment transactions. By the third quarter of 2014, Starbucks was processing seven million transactions via its mobile payment app, which was estimated to have been 15% of their total transactions.

So, it stands to reason that the popularity of mobile payments will not be abating anytime soon. The challenge for retailers is to find the best way to use the technology to their ultimate advantage.
activation app is available through a partnership with various retailers, who will create marketing materials that will allow drivers to download the app by scanning a QR code at the pump or inside the convenience store. The app will also be available for download through major online app stores.

In addition to convenience, there are a number of ancillary benefits to mobile activation/payment apps. At the most basic, they eliminate customer interaction with the entry system. No longer does a driver have to roll down the window, insert a credit card or cash and enter a code before waiting for instructions to enter the wash. This can not only be intimidating to drivers, but it also slows down the entire wash process and presents a safety risk as many customers must partially exit their vehicle to reach the keypad.

For credit-card users, the ability to keep the card in a wallet or pocket eliminates the concern that any account information can be compromised through fraud or card-skimming. Any time user-payment information is passed through electronic equipment; there is the possibility the information can be compromised. Payment through a mobile carwash app is worry-free because the system uses a process known as “tokenization” to ensure that the only thing for which the payment information can be used is to buy a car wash at that particular time and at that particular location.

The mobile carwash activation/payment app also offers some ancillary benefits for the site operator. In addition to the previously mentioned enhanced safety and customer confidence, there is also the opportunity to elongate and optimize the interaction with the customer. Instead of asking carwash customers to lean out of their car window, interact with a keypad and then proceed into the wash bay, the customer’s Smartphone can now be used to illustrate how to drive into the wash in a manner that is both safe and easy. Also, if a customer is second or third in line at the wash entry, those idle five or 10 minutes can now be used to communicate things of value to customers through their Smartphone. This time can be used to explain why the carwash is superior and as an opportunity to upsell the customer or communicate other onsite sales opportunities. It opens a whole range of cross-branding and cross-selling opportunities that are limited only by the imagination of the site operator.

Conclusion

The successful carwash operators will be the ones who recognize the advantages that mobile payments will have for their customers and take steps to ensure that they offer that capability.

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