

NAMA EXPO CONFERENCE REPORT

CONTINUED

► To capture lost sales, see what's happening 15 minutes away from the location

One of the vending industry's biggest competitors is the fast food restaurant channel. This channel meets consumers' desires for the quickest and most affordable method of getting their meals or snacks. Hence, the vending industry needs to take a closer look at this channel and take notes, according to Paul Schlossberg, owner of D/FW Consulting, in his seminar "Vending: The Ultimate Venue for Branding."

"People are spending more on what they want and less on what they need," said Schlossberg. The goal is to cater to these people, he said, to deliver to the customers a good experience.

Since 85 percent of meals are eaten within 15 minutes of the workplace, Schlossberg suggested taking a 15-minute drive from an account to look at

who the competition is. "See where your customers are stopping for lunch. Watch the dollars that you're not getting," he said.

- **Bundling works for fast feeders.** And since fast food restaurants serve a quick and convenient meal for very little money, Schlossberg suggested looking at some of the innovations these chain restaurants have developed, such as bundling. People are now ordering a complete meal just by saying a number. This convenient meal is taking away not only the sale of an entrée from the vending machine, but also the accompanying snack and drink. When consumers order that meal they are also saying, "Super Size that." Vending needs to command these higher prices.

- **Improve payment options.** Breaking price point barriers in vending is difficult, he acknowledged, but customers will recognize better values for their money. Schlossberg noted that McDonalds is testing a method of payment that uses a highway toll pass.

Home meal replacement, a catch phrase that refers to the tendency of consumers to pick up meals that are partially prepared and complete preparation at home, also offers vending an opportunity that its competitors are already taking advantage of. "By four o'clock, 70 percent of Americans don't know what they are having for dinner that night," said Schlossberg.

- **Dress up the break rooms.** "Operators need to be more creative," said Schlossberg. They also need to make vending more attractive. This can be done by encouraging locations to dress up their break rooms. Vendors can also make it easier for consumers to find the vending banks through easy-to-read signage.

Schlossberg suggested surveying consumers at least once a year and reacting to what is said. Collecting and responding to comment cards is another way to keep customers satisfied. "Operators need to be smarter and find new ways to make money," said Schlossberg.

AM