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Canadian Car Wash Offers Customers a Token of Appreciation

Community involvement is a big deal to Corey Brandt and impacts the way he runs his 12-bay Rainbow Car Wash, Convenience Store and Coin Laundry in Winnipeg, Manitoba. He spends a lot of time cultivating relationships with civic groups in the area and supporting their fund drives - especially in the slower summer months (winter is approximately 3-times busier as customers hurry to rid their cars of road salt).

“Socials are a big tradition here in Winnipeg” says Brandt. “Whether it is for a baseball team, a soccer league, or the local school, we get involved in at least 2 Socials per month.” Like a raffle, organizations solicit businesses for prizes – these are awarded to people who buy tickets and attend the Social. Brandt puts together prize packages that might include sponges, tire cleaner, chamois or other accessories. The package *always* includes tokens which bear the Rainbow name and address. Socials are a great way to support the local community that make up his customer base – Brandt knows because his customers tell him – and he is not shy about asking.

“We’re always doing surveys to see what our customers are thinking” comments Brandt. Whether they are formal written forms or off-the-cuff questions, Brandt strongly believes in getting input from customers. That has led to many changes around the car wash, including a change in soap shortly after they took over the operation of Rainbow almost 5 years ago.

A fixture for 25 Years

Rainbow has been in the same location in Winnipeg since the early 80’s. To keep it from becoming so common that it becomes overlooked, Brandt, who is the third owner, started asking customers for their opinion. And he hasn’t stopped – nor is he about to anytime soon.

Changing soap was pretty much a no-brainer. He saw the benefit immediately and so did customers who liked the new soap and its ability to deliver faster results. But when Brandt switched the operation to completely token based, his vocal customers voiced some reluctance. “Customers wanted to have more ways to spend their money here – they didn’t really embrace the token only system like we hoped that they would.”

Brandt was intrigued by the theft deterrence that tokens would provide and the ease of handling since they are much lighter than real quarters. Buying them for pennies and selling for a quarter also produced a guaranteed ROI which was easy for even a novice car wash operator to see. Add to these the branding that occurs every time that a customer sees one of your bright, shiny brass tokens imprinted with the logo and phone number, and you can understand why Brandt initially pursued a token-only strategy.

Promotional Opportunities

In addition to including tokens in every gift basket that he provides for the socials that he supports, Brandt uses tokens for other promotional activities. “We’ve run promotions in the convenience store where we sell tokens at a discount if a customer buys a chamois, or maybe tire cleaner” recalls Brandt. That way, if he gets a good deal from his vendors, he can build that into a money-making promotional activity that builds volume for the business and generates increased profits.

He also uses the tokens for refunds. That way if a customer has a problem in a particular bay, for example, he can keep the customer happy by providing a refund (in tokens) of their full amount (and maybe a little extra for their inconvenience). Refunding their purchase in tokens reduces his out-of-pocket expenses since the tokens are purchased for less than they vend for. Most importantly he keeps the sale as the customer spends the tokens at a future time when the equipment is fixed. In the meantime, they are reminded of Rainbow each time they see the bright brass tokens among their pocket change.

In addition to thinking of customers, Brandt unfortunately has to think of vandals and thieves, which is another reason he originally looked towards tokens. Unlike “real money” tokens are a theft deterrent. Amazingly enough would-be thieves don’t necessarily care for tokens (perhaps dirty getaway cars are less conspicuous). Having a central changer (typically in a well fortified position) drastically reduces theft and vandalism. Aside from lost revenue that occurs when someone breaks into your coin boxes, there is the cost to repair the damage that’s been caused. Replacing facings can quickly add up to more money than was heisted!

While he admits that theft had been an occurrence, in addition to the use of tokens, Brandt has a unique method of controlling crime. He had a series of digital video cameras installed and networked into a system. One attendant can monitor all 8 cameras from a single monitor. Signage around the facility warns patrons and burglars alike that they are being watched at all times. Brandt has seen a decline in theft and vandalism since installation of the \$10,000 system.

For those who want to deter vandalism and theft without the expense of digital monitoring, a tokens-only approach might be a viable, inexpensive first step. Signage is always a good idea – why not warn would-be criminals up front that they will ultimately walk away empty handed (and be prosecuted) for vandalizing your machines.

Cross-Acceptance not a big problem

Although Brandt knows that other car washes and arcades in the general vicinity use tokens, judging by the fact that he has gotten some of their tokens, cross acceptance has not been a big issue. Ever the optimist, Brandt looks at these incidents as a way to win over non-loyal customers from a competitor – rather than as an incident where he vended service for free.

It is probably a good idea to know who is vending what and at what price so that you can take precautionary measures if needed. With vend-prices of a quarter there is not much incentive for

unscrupulous customers to drive across town – as the vend price increases, so does the temptation to “buy low and redeem high.” If cross-acceptance becomes a major problem, most coin acceptors can be programmed to accept special alloys (like Red Brass) which are far less common than standard brass.

Switching to tokens can be a gradual or immediate project. Brandt made the switch with a large order that he placed over the internet. “We got what we wanted, at a great price, and had the tokens a week later,” recalls Brandt. He is still working from his original order. An alternate strategy might be to purchase smaller amounts and replenish your stock as customer “walkways” require additional purchases. While regular purchases tie up less in inventory over time, you will pay more in shipping costs and a slightly higher per-token price.

Whether you buy a lot of tokens up front, or purchase them gradually over time, there are many reasons why tokens are better than real money, as Corey Brandt has found.