

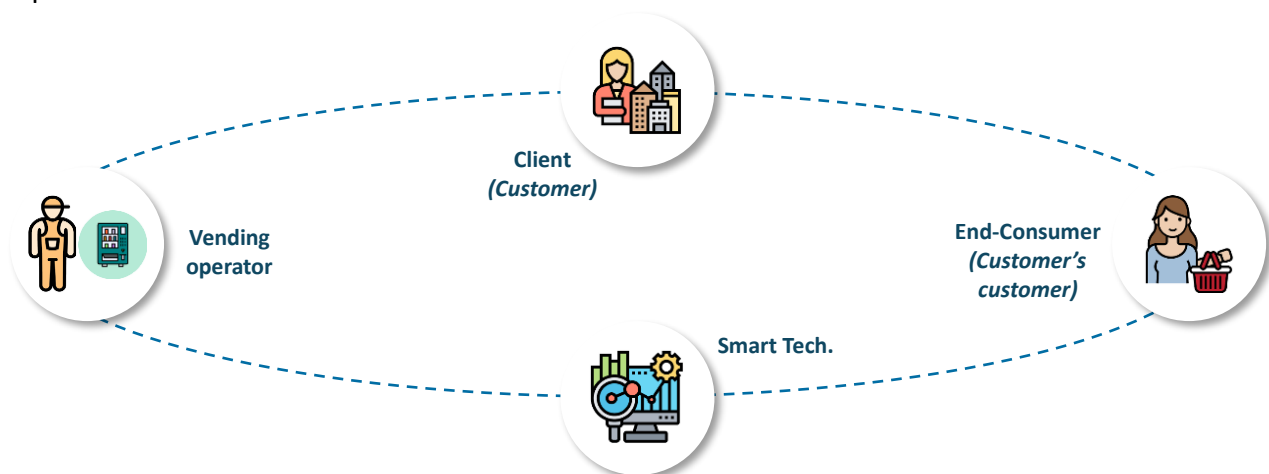
Keep Selling to a "Gate Keeper" – or Start Embracing the "End Consumer"?

Why Should You Replace Chief Sales Officer (CSO) with a CUXO

Understanding why the end consumer is the king is crucial for any operator looking to grow market share with smart vending. The account or client (i.e., direct B2B customer) often acts as a gatekeeper, barring operators from directly engaging with end consumers.

This shift in mindset requires traditional sales teams to adapt and embrace a more consumer-centric approach. By focusing on the end consumer, businesses can uncover new revenue streams and cost-saving opportunities, ultimately driving growth. To make this transition, it's essential to identify the key technologies, tools, and competencies needed to stay competitive in an evolving market – done well with a Chief User-Experience Officer or a CUXO.

Early entrants to smart vending (e.g. micro markets) are missing the value of "truly smart" vending, which is defined by no-touch access, computer vision-enabled tracking and seamless checkout – instead, arguments favor shrinkage in micro markets or not making risky tech investments but incremental changes – What they will miss is the deep understanding of the end consumer and the powerful impact of AI on behavioral data.



Convenience Retail is Evolving Rapidly

Emergence of new channels	Computer vision-enabled innovative formats like fully automated stores, micro markets & smart cabinets are redefining the concept of a retail location
Expansion into new categories	Businesses are diversifying offerings, including desserts and specialty items that are fresh out of the oven
Adoption of new payment technologies	Solutions like mobile app-based payments and use of biometrics are enhancing consumer convenience in access and check out experience
Advanced analytics on new data	Smart dispatch is optimizing for machine service and restocking; Personalization at the location & consumer level is redefining consumer experience with a machine

Shift from Traditional Vending Routes to Smart Vending Operations - Embraces the Consumer

Route operators primarily served property managers, hospitality teams, HR, and indirect spend teams - in a B2B (Operator to Client) model, relying on traditional sales tactics to secure & maintain accounts. However, thanks to smarter tech, operators can have direct access to end-consumer for the first time, as in a B2B2C (Operator to Client to Consumer) model. Hence, vending businesses must transition to stay competitive, by investing in platforms, data models, and tools that help understand and engage consumers. If planned well, this shift unlocks continuous new revenue and cost savings that pay off the investment.

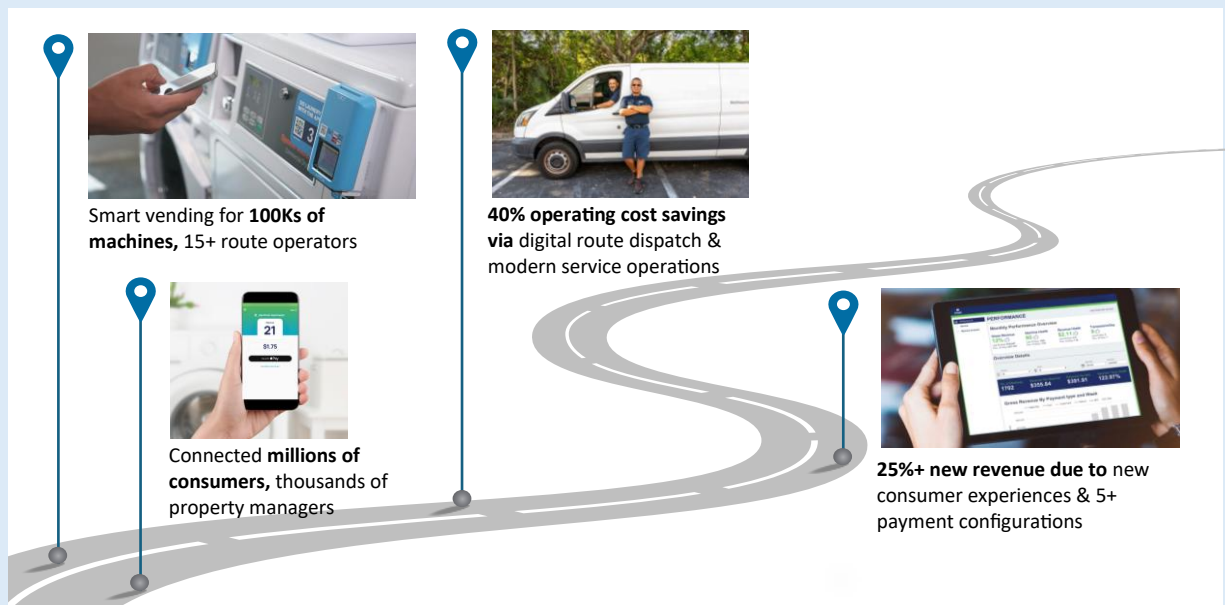
The Power of Artificial Intelligence is Exponential with Consumer Data

Hundreds of data types from locations and consumers are feeding machine learning models that can predict consumer behavior; Already strong deep learning models that recognize which products consumers pick are evolving to be error free; Together, knowledge graphs are predicting potential sales at a new location – thus dictating a performance-based partnership with client. Agent-based generative AI apps are helping with replenishment and machine failures for service crews, and customer service teams!

Case Study: Transformation of an Industry that Raked Billions of Quarters



Multi-billion dollar route laundry industry, serving multifamily housing, college campuses, and hospitality went through a major transformation in the past 5 years. Different stakeholders, from operators, machine OEMs to payment solution providers demonstrated how ~12 revenue and cost levers can be unlocked via a B2B2C transformation by embracing the end consumer.



Vending operators can learn from the route laundry industry; a journey backed by data, facts, and real-world impact.