PASSPORT® EXPRESS LANE™

SELF-CHECKOUT BEST PRACTICES

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INTRODUCTION

Self-checkouts are no longer nice-to-have features in the retail world as customers have come to expect them as an option anywhere they shop. **87% of respondents to a retail survey said they would prefer to shop in retail stores with touchless or robust self-checkout options.** [1]

As more self-service technology is deployed inside c-stores, Invenco by GVR continues to learn new and more efficient methods to increase the effectiveness of the technology. We are proud to live and thrive solely in the convenience environment.

Passport Express Lane Self-Checkout was specifically designed for convenience stores with unique features including fuel and cash integration, and the ability to purchase age-restricted items. Being able to capitalize on the benefits of Express Lane is where our expert recommendations on best practices will really set your store up for success on day one.

25%

One out of every four shoppers use self-checkout

Data from a major retailer who recently installed Express Lane shows the stark results between stores with proper execution and stores that simply "set it and forget it." A store that properly adopted Express Lane reported one out of every four shoppers used the self-checkout kiosk. On the other hand, a store with poor execution reported only one out of every twenty shoppers used the kiosk – about 5%.

"Just because it looks professional doesn't mean it will get used," the retailer said. "The kiosk needs clear signage, good location, and most of all, support from employees."

As more brands roll-out self-checkout strategies, we have honed the implementation process to a few simple rules that will set up any store for success. From strategy and location to employee buy-in and real feedback from retailers, let this be your guide to launching self-checkouts in your new or existing store locations.

Fast Fact:

85% of shoppers believe that self-checkout is typically faster than cashier-guided checkout. [2]

STRATEGY
AND LOCATION

There are a couple of initial questions any retailer should ask when considering a self-checkout strategy.

1. What challenges are you trying to solve?
2. Where are you going to put the hardware?

Consider Your Goals

Defining goals will help you determine what success looks like for your self-checkout strategy. Those could include improving store and staff efficiency, shortening lines, meeting modern retail expectations, or easing staffing stress from labor shortages.

Putting it to the Test

The results of implementing Passport Express Lane Self-Checkout have been significant for Holiday Oil in Utah. It saved the company an average of 700 hours and $12,600 in labor costs per location, totaling $882,000 in annual savings across Holiday's 70-store network. Express Lane also increased customer satisfaction and loyalty, with many customers stating they prefer it to traditional checkout lanes.

$882,000
in annual savings across a 70-store network

> *Express Lane helps ease that burden on our associates as they are trying to pick up the slack. Customer service isn't about doing things that people can and want to do themselves. We're here to help people. People don't need help with things they can do themselves; they need help with the things they can't do themselves.*
>
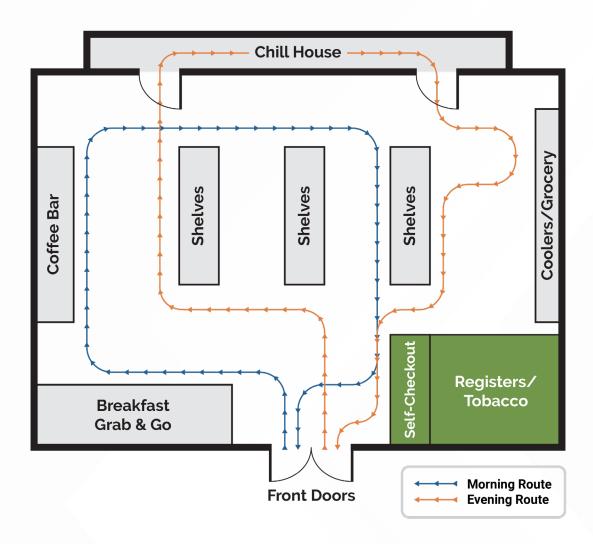> *– Jay Cahoon, Holiday Oil's Director of Fuel Systems*

As you build out your self-checkout strategy, remember, no matter what you're trying to accomplish, the following basic principles will always remain the same.

STRATEGY
AND LOCATION

Analyze Traffic Flow

Take time to study how customers move through the store from start to finish, focusing on where lines form. When people walk in, where do they go first? For most c-stores, it depends on the time of day. Customers might gravitate to coffee in the morning, but beeline to the beer cave in the evening.

For the retailer in this example, traffic flow is the backbone of their strategy.

Retailer Tip: Analyzing traffic flow is an exercise that should be revisited periodically, even after implementation is complete.
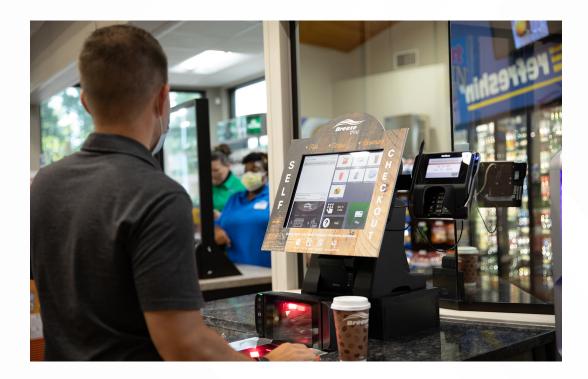
STRATEGY
AND LOCATION

Location, Location, Location

Once your goals are laid out, it's time to consider kiosk locations and how that affects your store's operation.

Generally, you should place Express Lane near the main store entrance, front and center on the primary cashier counter to give customers instant visibility to their checkout options. The kiosk should be visible from other angles throughout the store to remind them where to go once they've finished shopping.

There are several other reasons to keep kiosks near existing cash registers. Employees are always nearby to assist self-checkout customers while still helping traditional customers on their Passport cashier workstation. The shopper also instinctively looks for the front counter once they've gathered all their items.

Additionally, the front counter is the same area where age-restricted items like tobacco and vapor components are stocked and can be easily accessed when needed by a self-checkout customer. This allows cashiers to serve the customer and easily approve IDs from the same area.

STRATEGY
AND LOCATION

Location, Location, Location (Continued)

In this example, the tobacco areas are set behind the Express Lanes that line the front and sides of the counter. With this method, one or two employees can simultaneously retrieve age-restricted items, check IDs, and monitor multiple transactions, allowing store managers to reassign other staff to more high-impact tasks.

> " *We turned to self-checkout because we wanted to solve the problem of long lines. Customers are already accustomed to self-checkout, and what better fit than the c-store!*
>
> **– Doug Mercer, Information Technology Director, Pete's of Erie, Inc.** "

Fast Fact:

6 out of 10 shoppers prefer self-checkout over cashier-assisted checkout, if given the option. [3]

LOGISTICS
AND APPEARANCE

Because the front counter is the optimal location, your Express Lanes may compete with other forces including limited counter space and marketing signage that usually surrounds the point-of-sale area. To combat those forces and accelerate customer adoption, you'll need to elevate your kiosks' visibility and re-imagine the space around them.

Space

When designing the counter around your Express Lane, there are a few factors to consider like space for bagging and enough distance for privacy when customers conduct transactions.

If kiosks are side-by-side, consider placing PIN pads on opposite sides of each kiosk. There should also be enough space for customers to set down drinks or other items to free their hands and finish the transaction.

LOGISTICS
AND APPEARANCE

Retailer Tip: Save space without crowding customers by arranging the kiosks so customers face each other on either side of the counter.

Implementing Express Lane is a great opportunity to reorganize and potentially reduce clutter, which may include impulse items. Streamlining your front counter helps make space for multiple kiosks as retailers place more value on increased throughput over impulse purchases.

Fast Fact:

4 out of 10 consumers will abandon a purchase due to long lines. [4]

This may also be the time to consider which type of scanner works best for your operation. Express Lane interfaces with a wide range of scanning devices, including space-saving embedded scanners which are favored by consumers. Handheld scanners can also be placed on counter stands for use by the customer or the cashier.

LOGISTICS
AND APPEARANCE

Signage

Customers can't use self-checkouts if they can't find them, so the next challenge to tackle is signage. Traditionally, consistency is key to branding a store, but not in the case of self-checkout. For faster adoption, consider signage with colors that don't match your branding, particularly during the initial rollout.

Automate Cash Payments For Customers Who Prefer Them

Nearly half of c-store purchases under $10 are paid in cash. You can easily handle these transactions by pairing Express Lane with cash payment automation. **You can serve every customer better – regardless of their payment method** – while streamlining your cash management and other operations. Paypod cash recyclers are now available through many Invenco by GVR distributors.

Discover how to automate cash payments with Paypod™ from our partners at CPI: https://learn.cranepi.com/C-StoreSCO

BUY-IN
AND LAUNCH PREP

Your self-checkout location and logistics are set, but one important factor remains. All successful strategies hinge on customer and employee engagement, but you can't have one without the other.

▶ **Employee Buy-In**
If your employees aren't believers, customers won't believe either, but there are several ways to get your teams on board.

First, be sure to communicate your intentions for adding self-checkout early and often to store associates and managers. Ensure they understand that Express Lane is here to help them, not hurt them.

The most successful rollouts involve teams who understand that self-checkouts are tools that provide them more time to effectively do their jobs.

> " *Honestly, every store should have a self-checkout, in my opinion. Boom, they're out in 45 seconds tops.*
>
> *– Jillian Majersky, Maplefields Associate* "

Task store managers with reallocating employees to more efficient duties like cleaning, restocking shelves or refreshing the coffee bar. Remind them to stay positive as the rollout unfolds. Adoption doesn't happen overnight but remaining committed to the strategy spreads a positive outlook to the rest of the staff.

"Self-checkouts don't get used in stores where the employees don't like it," said one retailer.

Retailer Tip: Make employees equal partners in your project's success. Incentivize your team to motivate customer adoption by offering a bonus for increased usage.

BUY-IN
AND LAUNCH PREP

Convincing Customers

Now that your employees are on board, it's time to focus on customers. For the first two weeks, assign an employee to act as a self-checkout ambassador. The employee should be positioned near the kiosk to call attention to the new self-checkout area and walk customers through transactions.

This tip has several benefits. Once customers know how to use Express Lane, they will use it again. You may also hear regular customers worry about the employment of their favorite staff members. The employee ambassador can calm those fears by reiterating that Express Lane helps the staff and customers have a better shopping experience.

> " *You have customers that are worried about your job. But once they find out it's not going to affect the person they see every day, they don't have a problem using it.*
>
> *— Lakisha Kirby, Breeze Thru Markets Store Manager*

Retailer Tip: Just like employees, create incentives for customers. Offer short-term promotions, like a free slice of pizza, for a week or two to encourage customers to use self-checkout.

CONCLUSION

Self-checkout is a necessary tool to meet customers' evolving expectations of the modern retail environment. When asked in a global survey about which digital tools shoppers have used and plan to continue to use, the top answer was self-checkout.

Whether you need to alleviate labor shortages or elevate your brand, Express Lane is the only solution designed to work with the nuances of the convenience store environment. With the power of Passport Point-of-Sale at its core, Express Lane is easy to integrate and, with a little planning, even easier to implement. Partner with Invenco by GVR, the industry leader in c-store solutions, and let us take your customer experience to the next level.

[1] Marianne Dempsey/Jenna Beaucage, '87% Of Shoppers Prefer to Shop in Stores With Touchless or Robust Self-Checkout Options During COVID-19 Pandemic', BusinessWire, last modified 7 April 2020, https://www.businesswire.com/news/home/20200407005086/en/87-Shoppers-Prefer-Shop-Stores-Touchless-Robust.

[2] Bobby Marhamat, Forbes, "How Self-Service Checkouts Can Improve The In-Location Experience" https://www.forbes.com/sites/forbesbusinessdevelopmentcouncil/2021/03/15/how-self-service-checkouts-can-improve-the-in-location-experience/?sh=28cc9a7137ad.

[3] Bobby Marhamat, "Council Post: How Self-Service Checkouts Can Improve the In-Location Experience." Forbes, 15 Mar. 2021, www.forbes.com/sites/forbesbusinessdevelop-mentcouncil/2021/03/15/how-self-service-checkouts-can-improve-the-in-location-experience.

[4] Pete's of Erie Installs Self-Checkout Chainwide." Convenience Store News, 21 Apr. 2022, www.csnews.com/petes-erie-installs-self-checkout-chainwide.

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