

TOKEN POWER

Tokens have been around for a long time in this business. But virtually no one knew (or remembered) just how long until the Spring '99 issue of the SSCWN when



we revealed that the very first coin-op carwash was named (surprise!) the "Coin-Op Car Wash", in Ardmore, Oklahoma, accepted both quarters and tokens way, way back in 1963!



Security was not really all that much of a concern back then. The inventor of the coin-op carwash concept, Jack Thompson, was a superb promoter who saw — right from the get-go — the immense marketing potential in tokens. But in the early days of coin-op, owners almost universally had no interest in being high-profile and actively promoting a business designed "to take care of itself". In the era of the "25¢ Carwash," token handling was an unnecessary, additional hassle when only one measly quarter got the job done. Over the years, even as the start-up cycle price increased, the public's resistance to exchanging real money for "play" coins stiffened operators' resistance to tokens.

In the late 80's, driven by increasing security problems fueled by increasing revenues, the industry began to reconsider tokens. But what goes around, comes around. By the mid-90's it became more common to hear reports from operators about how they were using tokens to promote their washes ... just as Jack Thompson had done first more than 45 years ago. Here are some of the many ways operators around the country have told the SSCWN about how they have used tokens to market their washes:

One of the first "lone voices crying in the wilderness" back in the mid-80's was Izzy Carnegis ("Victory Lane Carwashes," in Dayton, Ohio) who would preach the benefits of tokens at every Info Exchange at every ICA annual convention.

The movement got ratcheted up in 1988 after SSCWN published a story about another grass roots operator — Jim Hill ("Country Carwash," Manchester, Iowa). As mentioned a few pages back, Jim Hill is the owner of that single, 3-bay in a small town in Iowa where he created the very first (and very brilliant) "Voting Bays" promo back in 1988. Jim has shown himself to be a mas-

terful and creative marketer when it comes to tokens too. When he decided to expand his market radius beyond the 3 mile circle many operators accept and consider "normal", he did it in large part with tokens. By sharing his experience and reporting success, Jim was the first to really stir up the pot and get operators around the country to think marketing when they thought tokens.

Jim demonstrated the benefits of aggressively cross-marketing his washes with all kinds of businesses around his town — fast food restaurants, C-stores, gas stations, car dealerships, and more. He made a point of selling deeply discounted tokens to businesses beyond his immediate market area in order to broaden his market share. Others that are close to his washes act as "remote attendants" in that they will redeem coupons and Jim's special postcards.

Those postcards were used quite a bit. They are mailed to customers who report a problem (leaking swivels, cut hose, missing brush, etcetera) and take the postcard to a nearby store that gives the customer a reward of \$5 in tokens. Those who lose money at the wash get a hand written note of apology and, of course, free tokens. Local dealerships provide Jim with a list of people who buy cars each month and they then all receive postcards that congratulate them and offer \$5 in free tokens to keep their "new car looking new". (See examples below.)

Jim has an antique car which he drives in parades during which he tosses hundreds of bright, shiny, golden tokens to the crowd which "goes crazy for them!" He also donates tokens to all kinds of local charities and fundraisers. Such groups often hold auctions and raffles of donated goods to raise money. Auctioning off a "Year's Supply Of Carwashes" in the form of tokens promotes the business in

a better, less expensive, and more sustained way than a wham-bam cash donation.

KEEPING REGULARS— various studies have shown that 80% of a typical carwash business comes from as little as 10% to no more than 20% of your customers! You really need to keep that sliver of your clientele happy and loyal. Tokens are super way to say "thank you" to and personally connect with those regular customers. Occasionally when you recognize a frequent washers, pop into the bay, say "hi", tell them you appreciate their using your wash, and reward them with a few tokens. I guarantee you, that they will not soon forget such warm gesture. It will help connect them in a very personal, human way to you and your business.

Giving away tokens is an easy and fun way to stimulate business and foster goodwill. But how about selling tokens?!!

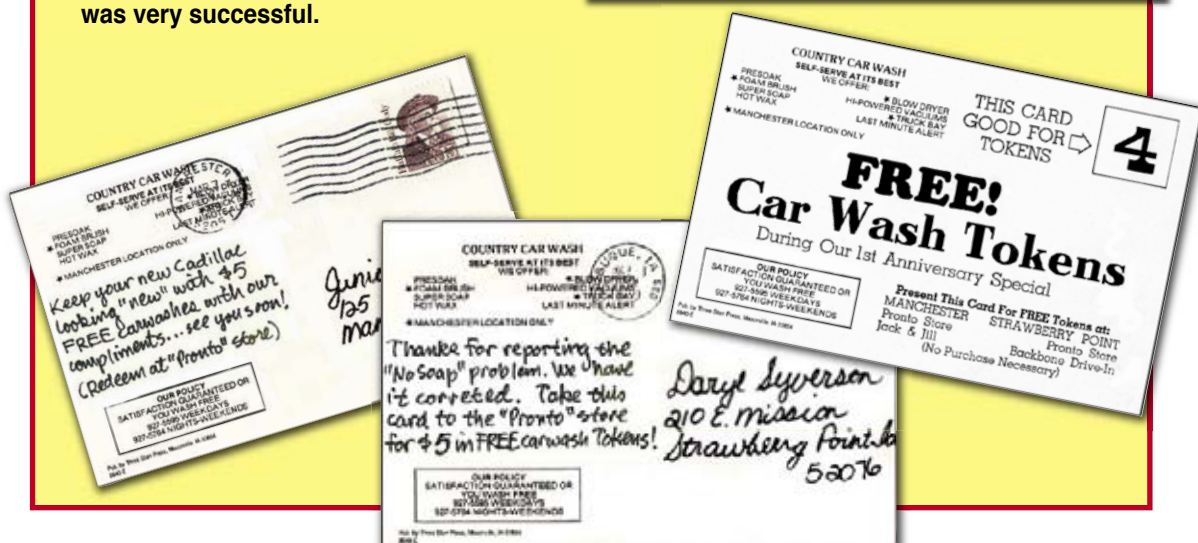
Marketing Tokens

Selling the public on the idea of buying your tokens and using them exclusively in your wash can be a challenge. Most operators use the discount method — the more tokens purchased, the better the deal. The typical discount (available from a changer dispensing the tokens or an attendant) is in the 20% - 30% range. For example, \$10 cash gets a customer tokens worth \$12, while \$20 cash might equal \$26 in tokens.

As mentioned earlier, one of the heftiest discounts we've ever heard of was the 40% savings that the Wonder Wash chain offered 9 weeks prior to the winter wash season. WW, however, reportedly did not lose a thing balanced against their huge increase in volume — their token sales up more than 500%.

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"Going Postal" ... but in a good way. Jim Hill pioneered the interplay of "snail" mailing lists, post cards, tokens, and robust, creative co-op cross marketing strategies for his "Country Car Washes", in Manchester, Iowa. His primary goal of expanding his market radius well beyond the "normal" 3 miles was very successful.



It should be noted that there is an offset that lessens the sting of discounting tokens for the operator — the “walk away” or “lost” token phenomenon. A good 10% or more of wand buy carwash tokens are never used to purchase services! They’re apparently tucked away forever in junk drawers, the backs of couches, or who knows where?! The point is, tokens valued at 25¢, 50¢, or the increasingly popular \$1 tokens are purchased by the operator for only 15¢ to 30¢ each. So when they “walk away” (and stay away), that represents a very nice profit ... even if those tokens were discounted.

That “lost/walk away” profit factor can be strategically increased. A classic example: a carwash in South Central Los Angeles had tokens made with Martin L. King on one side and Cesar Chavez on the other. Within a couple of years, a whopping 200,000 of them “walked away”! This last year, I imagine a commemorative Barack Obama Presidential carwash token could have been (and still might be) even a much more huge, walk away success!



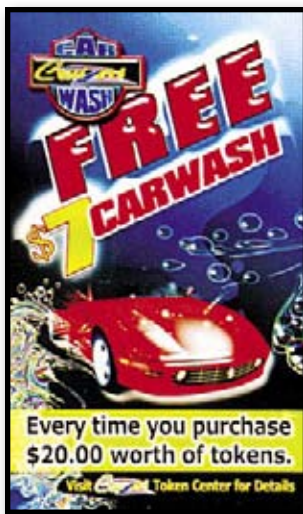
Bonus Or Bargain

There are very few operators who do not discount their tokens when purchased in “bulk”. They sell, lets say, \$10 worth of their tokens for \$10. However, to induce more token use/purchases, they can give bonus time to their token buying customers. A \$1 token, for example, could give 3 minutes of time while \$1 in quarters would buy only 2.5 minutes. We’re told that the extra time for tokens approach can be effective. But the public perceives value much more readily with the discounted token tactic, such as \$10 buys 12 \$1 tokens. Additional tokens are easier to grasp — literally and figuratively — than additional time.

BARGAIN BAYS — When making the move to tokens, it doesn’t have to be an all or nothing at all commitment. You might want to consider adapting just one or two bays to token acceptance. Those bays could be designated as the “**Bargain Bays**” and for use only with tokens — discounted, of course. Later on, if the pursuit of fleet account business and on-site sales of tokens take off, more or all the bays could be modified to accept tokens.

GIFT TOKENS

When marketing tokens (or anything else for that matter) don’t be afraid to use a little pizzazz — some color and creativity. For example, the full serve side of the industry has successfully marketed books of wash chits as Christmas and birthday presents. Why not



Cruizer's Token Machine accepts Bills (\$1, \$5, \$10 and \$20) and Credit or Debit Cards

AMOUNT IN	TOKENS RECEIVED	YOU SAVE
\$1 Bill	1	\$0.00 Deal
\$5 Bill	6	\$1.00 Deal
\$10 Bill	13	\$3.00 Deal
\$20 Bill	27	\$7.00 Deal

Cruizer's Carwash in Hope, Arkansas does an outstanding and very successful job of promoting discounted bulk token sales via exciting, superb POS signage as well as personal, one-on-one distribution.



do the same with tokens for self serve? The thing is, your purpose will be best served by remembering that the “presentation” can be as important as the present itself.

So make it easy for folks to present your tokens as true gifts ... even if they’re purchased on impulse. For example, • Gift wrapping tokens in festive foil or jeweler’s gift box. • Using multi-colored rolls that are imprinted with a “Happy Birthday”, “Merry Christmas”, or perhaps some humorous message. Of course, creating a true full, roll of tokens is easier (certainly less expensive) when rolling up a bunch of 25¢ tokens versus those valued at \$1. • Mounting tokens as “ornaments” on a picture of a Christmas tree. • Putting tokens in small, velvet jewelers’ type gift bags (available in many greeting card and gift stores pre-monogrammed with a “Happy Birthday” or “Merry Christmas”), or put ‘em in golden/brass tokens in little

plastic “pot ‘o gold” containers. Anything that enhances a gift of tokens with some more class, fun and special appeal. (Note: we found what appears to be a good source for gift bags at www.papermart.com where you can purchase elegant, little, velvet bags for as little as 23¢ each.)

Wally Wash (Oklahoma City) did exactly that with their bi-metal, high security tokens from Osbourne Coinage. They created a variety of classy “Bag of Gold” gift bags, Christmas stocking stuffers, and during Easter they hand out plastic Easter eggs stuffed with goodies, including a \$1 token.



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Token Gifts That Keep On Giving

Classy, creative, colorful packaging and presentations make it happen.

The collage shows several creative ways to package tokens: a teal gift box with a gold token inside; a red and white patterned gift bag filled with tokens; a yellow drawstring bag labeled 'Bag of Gold'; a white gift basket with a purple ribbon and tokens; a red gift box with a gold token; a red Christmas card with many tokens attached; and a Christmas tree made of tokens on a card with the text 'Wishing You A Merry Christmas and a Happy New Year' and 'Wishing You Happy Holidays & Your Car a Sparkling Clean New Year'.

CO-OP TOKENS

Tokens can lend themselves especially well to “co-op promos” — cooperative advertising. That’s worked out well for Tom Bradsky (“Crystal Kleen Carwash”, Rapid City, South Dakota) who told us of his co-op relationship with his local Pepsi Cola soft drink distributor. Tom has two types of tokens — a large gold one that is accepted at his automatic and a smaller red token that is for in-bay wand services. On one side of each token there is info that identifies it as a carwash token. The gold/automatic token specifies name and location of the wash. On the other side there’s the Pepsi name and logo.



Remarkably, Pepsi provides these tokens at no charge to Tom. Their “payoff” is simply getting the name the name and logo in the hands of the public, and getting the assurance that Pepsi products will be vended from a prominently identified Pepsi pop machine. Finding this sort of co-op arrangement that provides free tokens can be a win-win. You should, however, check the alloy of any and all tokens you might use against the tokens being used by arcades and other washes.

Free Vac Tokens Compete With Exterior Express

The Winter ‘06/07 issue of the SSCWN featured an exhaustively wide ‘n deep analysis of the “Exterior Express Phenomenon” by Greg Pack, owner of Metro Carwashes in Birmingham, Alabama. The Southeast in general and B’ham in particular has been “ground zero” for the explosive growth of EE these last few years. Greg implemented a number of creative tactics for his self serve wand bays to compete with those volume hungry, low priced tunnels. One of his ideas involved the use of tokens as a way to go toe-to-toe with all the EE’s enticing “FREE Vacuums” service.

Greg says, “in my eyes, if it’s a relatively small expense and it helps solidify customer loyalty and frequency — free vacs is a winner.”



Dispensing tokens at IBA cashiers facilitate “FREE Vac” offers, and other enticing freebees too.

So he gives his IBA customers (who purchase his top tier wash) a token that they can use to obtain free vac time.

Hamilton makes a vacuum token dispenser designed to hook up to their ACW. And Coleman makes one designed to hook up to most auto teller units. Both units are self contained and can be mounted to the side of a teller.

“I was going to call it a ‘Value Token’ and actually make it good for one of several things on the property — fragrance or shampoo vac, even a self serve bay. I could tell the customer to deposit the token in the bay to manually take care of any deficiencies the IBA might have had. And to broadened the appeal even more, I could even give that token a value in my vendors too.”

After considering some of the many ways operators have been using tokens, it seems that the only limitation to marketing and promoting with tokens is your imagination and willingness to follow through. There is, however, another form of token that offers operators still more marketing possibilities. Namely —

Tokenotes

Wow, time does fly! It was almost 20 years ago when Hamilton Changer first introduced their Tokenote concept — a dollar bill sized, paper “token” (scrip) that would be accepted by ACW’s at automatic bays. While it was primarily the security advantages that initially pushed many operators to coin tokens, it was the marketing benefits inherent in paper tokens that sold operators on Tokenotes. Coin tokens and “T-Notes” do share many of the same uses and advantages over cash receipts. But there are noteworthy differences:

On one hand — • Coin tokens can be adapted fairly easily for use across the board at a coin-op wash. In-bay meters, vacs and vendors can all be equipped to accept coin tokens. Whereas, T-Notes are limited to the automatic bays. • Coins are much, much more durable than paper, so they recycle well and then tend to get “lost” by customers long before they would wear out. • Some people seem to sense more value — “more substance” — in a bright, golden, more hefty metal coin (versus a coupon-like piece of paper). • And the typical electronic coin acceptor has fewer acceptance problems than the typical paper currency validator.

On the other hand ... • T-Notes are less expensive than coin tokens. (About 13¢ each). • T-Notes can be specifically and securely encoded to your wash, while you have to be much more careful about your selection from a limited number of metal token alloys. You sure do not want your \$1 coin tokens to be the same alloy as the 25¢ tokens from the local arcades. • Paper has the edge when it comes to distri-

bution. It’s light, flat, and, therefore, perfectly compatible with “Val Pak” type of direct mailings, newspaper insertions, and other coupon deliveries. • And there is much more flexibility when it come to assigning a value to TokeNotes. The ACW has the capability of accepting up to 16 uniquely coded T-Notes with as many as 5 different dollar values, allowing for hundreds of possible price/service promotional combinations.

The paper Tokenote also has the unique benefit of being imprinted with very specific information that can spell out the special nature and value of a particular series of Tokenotes. For example, groups (to whom you sell T-Notes at a quantity discount which they can resell at a profit for ongoing fundraising) can be identified by name and logo on “their” T-Notes along with its own special value — \$2, \$3, \$5 ... whatever.

Imprinting gives the public a more complete, easy understanding of any cross-marketing a carwash might want to do — be it a related, same-site business (lube, gas, detailing, etcetera) or perhaps some other more remote and very different business (restaurant, bowling alley, book store, auto dealership ... whatever, wherever). That

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Hamilton “Tokenotes” have long been proven to be a great tool to market/promote IBAs. And they now have the ability (via token dispensing) to stimulate wand bay traffic too.



is to say, both businesses (the carwash and any other committed to a “co-op” marketing plan) can be identified and briefly spell out basic info about each.

Another advantage unique to Tokenotes is its ability to function as a credit system similar to a debit card. For example, fleet accounts could be given “x” number of dollars worth of T-Notes imprinted with their own unique account number and at the end of the month get their’s back with a bill for that month’s washings.

The Power Of Color

If you’re planning on using T-Notes, I’d suggest that you consider the color paper and/or color ink options. Almost all of them I’ve seen operators use are the standard white paper with black ink. That looks okay. But when you’re focused on truly effective marketing, appearances and first impressions are of paramount importance. You need to stack as many cards in your favor as possible.

The strategic use of color in advertising materials has been proven by innumerable studies to attract the eye and pull people in. So having your T-Notes look, for example, more like greenbacks (real currency) and stand out a bit by using bright green

Greg Kensboch has been a self serve operator for 17 years in Grand Blanc, Michigan. And early on he saw the value of getting better connected to his community by facilitating fundraisers. Greg went into partnership with Len Dillon 3 years ago and they built two state of the art self serves they call Cyclone Carwashes. The partners decided to make a serious commitment to good causes locally and saw Tokenotes as a great way to do that.

They have made point of contributing to numerous community efforts — from the serious Special Needs Charity to the all out fun “Back To The Bricks” classic car celebration in Detroit. In the name of the Cyclone washes, they’ve directly donated their time, money, food and refreshments.

They also have sent out letters to community groups, schools and charities “offering them,” Gerg says, “not selling” the opportunity for them to benefit from their fundraising donation program — to which Tokenotes are the key .

paper and/or ink is a good idea. As would be reinforcing the identity of a wash with a particular color that’s part of its name (a few examples from our mailing list — Blue Ribbon, Blue Whale, Purple Parlor, and Little Red Carwashes). Using red and green for Christmas time promos. Ongoing school fundraisers printing with school colors. Etcetera, etcetera, etcetera.

To Be Continued...

SSCWN’S “Self Serve Carwash Marketing’s Greatest Hits” will continue and conclude with Part 3 in our Fall 2010 issue. It goes out with a “bang!” Don’t miss it.

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