## **Hot Picks**

tokens increases to three freebies. The reason for this is two-fold. First, because customers are not spending real money-they are only spending tokens-they tend to spend more of the tokens on site. And a percentage of those that are not spent on site will be lost or misplaced, becoming "walkaways." These tokens-which are sold but then walk away before the service is vendedcan earn a site thousands of dollars a year. A typical token valued at \$1 will actually cost the car wash around 30 cents. That means that for every token sold but not redeemed, the car wash earns 70 cents. The reusable tokens typically only require replacement to replenish walkaways, so the higher the walkaway rate the better. If a car wash buys 10,000 tokens and 2 percent walk away each week, the car wash earns an extra \$140 per week in profits (70 cents x 200 tokens). At that rate the entire cost of the original token order will be earned back in less than six months-actually about 22 weeks.

Operators wishing more effective security-in the form of eliminating the acceptance of competitors' tokens, can select high-security tokens in various levels. Tokens are available with security levels to eliminate cross-acceptance of competitive tokens. In addition to Timesaver<sup>TM</sup> \$1 tokens, the Van Brook division offers controlled area circulation CT and CTX tokens. Special car wash tokens, sizes and metals-as well as car wash specific information can be seen at www.tokensdirect.com/ carwash\_tokens.htm. ACCB

## Tokens Can Solve the Credit Card Crunch, While Helping Car Washes Pocket More Cash

As credit card fees are poised to skyrocket, car wash operators may find relief from an unlikely source-tokens. That's right, tokens. While credit card processing fees continue to escalate to heights which the National Association of Convenience Stores calls "beyond outrageous," car wash operators can earn more profits by switching to token-based operations. That's because the reusable tokens earn more profit for car wash operations, while credit card sales actually reduce profits. In addition to the financial benefits of token-based car washes, there are operational and marketing benefits as well.

Token-based car washes incent customers to purchase tokens in volume by providing better deals as the amount of tokens purchased increases. So while \$5 might merit just five \$1 tokens, a \$10 bill might merit 11 tokens. At the \$20 level, the number of

