

The Future of Cash Management in Retail

Boosting Profitability By Automating Cash

SMARTtill® Solution



CASH MANAGEMENT

ACHIEVE CASH HANDLING EXCELLENCE



What are your goals and challenges at the point of sale? Do you have issues managing cash? Or issues with cash shrinkage? Maybe you struggle because of setbacks from rising labor rates, finding qualified labor, and managing operational costs. At APG Cash Management Solutions, we understand your cash management challenges.

The minutes and hours spent physically counting and moving cash is inefficient. This creates bottlenecks at the point of sale, which affects customer service, causes walk-outs and hurts your bottom line. At the end of the day, more often than not, the till count rarely matches the expected revenue.

With all the activities going on in a store it can be difficult to

focus on and resolve the cause of cash discrepancies. But what if you had the data necessary to give you full cash visibility at the point of sale (POS)? What if you could account for all the cash in your store from the time of tender to the time credit is made to the bank?

We have a solution for you: the **SMARTtill®** Cash Management Solution.



CASH IS HERE TO STAY

Retail payments are changing, yet according to the U.S. Federal Reserve there is \$1.7 trillion cash in circulation in the United States as of January 2019. In fact, cash represents between 30 to 45% of all global transactions.¹ Although there has been a rise of electronic payments, cash is still the most commonly used payment method in the world.² In the U.S.,

cash accounts for roughly 30% of all transactions and 55% of purchases less than \$10.³ The U.S. Federal Reserve predicts that cash will grow an average of 2.4% per year from 2016 to 2021.²

Despite the growing popularity of electronic payments and a preference by many consumers for payments with plastic, cash isn't going away any time soon. Millennials use cash five times more than mobile payment platforms. About 55% of small businesses prefer cash transactions, refusing to

CASH predicted to grow an average of 2.4% per year from 2016 to 2021

accept payments in plastic so they don't have to pay credit card fees.⁵ The San Francisco Federal Reserve Bank Report stated that over seven in ten people use cash for in-store purchases. Among different top cash spending categories, fast food accounts for 41% and convenience and gas stations account for 33% of cash transactions.⁶



CASH HANDLING CHALLENGES

The cost of cash is more intrusive than you would think. The manual handling of cash costs North American retailers over \$96 billion in 2017.⁶ This figure includes time spent on closing out drawers, processing, counting and transporting bills and coins. The challenge for handling cash as a payment method has always been the balance between operational efficiency and risk, and as many of the associated costs are hidden it is easy to get the balance wrong. Not only do businesses have to pay for time spent on counting, processing and transporting cash, they also lose substantial sums in discrepancies.

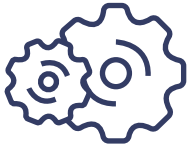
In a 2018 North American study, "Cash Multipliers: How Reducing Cash Handling Can Enable Retail Sales and Profit Growth," the IHL Group discovered replacing manual processes with automation technology can save retailers an average of 200 to 500 labor hours monthly per store. This labor can be saved or reallocated to customer centric activities. Depending on the retail segment, cash transactions generate costs of 4% to 15% which averages out to 9.1%. Up to

71% of those expenses are related to front-of-the-

store activities such as replenishing change at tills and closing out drawers at the end of a shift.

Intelligent cash management solutions integrated with POS systems save businesses substantial amounts of money through automatic reconciliation. That means no more manual cash counts. Instead, you get reliable, accurate data on the cash sums contained in tills at all times. The **SMARTtill**® Cash Management Solution addresses many of the cash handling challenges at a fraction of the cost of other solutions and can be easily deployed without disruption to the stores footprint.

Retailers need to invest in new cash handling technologies that provide operational efficiency through the automation of cash counting and real-time cash visibility. The **SMARTtill**® Solution offers benefits at the POS and across an entire enterprise in operations, loss prevention, treasury and data analytics.



OPERATIONS



The challenge for handling cash as a payment method has always been the balance between operational efficiency and risk. It is estimated that a 250 location retailer could spend \$5.9 million per year on cash mismanagement and operational inefficiency.⁸ With poor cash handling data, it is easy to get the balance wrong. Businesses deal with cash day in and day out and retailers rely on competent cashiers, store managers and back office staff. It can be difficult to find qualified labor and to identify training issues without proper technology in place.

The quality of service customers receive is an important factor to a retailer's bottom line. Today's consumers are looking for an improved shopping experience in store. But as retailers face increasing labor costs, it may force retailers to stretch their manpower and skilled associates, often resulting in a negative impact on their customer service.

The time spent on physically moving the cash between the front and the back office, counting the cash between shifts, top offs, security checks or reconciliation, and the general management of the float, is significant. It takes seven minutes on average to count out a drawer before and after shifts.⁹ The time spent counting cash at the POS can create bottlenecks that could affect customer

service and your bottom line. In fact, it's estimated that \$35 billion is spent on just closing out drawers in North America. This includes collecting, counting and sometimes recounting cash drawers.⁶

Depending on the vertical and cash handling procedure, with the **SMARTtill®** Cash Management



After installation save up to
15-30 Min.
per day, per POS on cash counts

Solution installed, businesses can typically save 15-30 minutes per day, per POS on cash counts. With the **SMARTtill®** Cash Management Solution in place, time cut out from procedures can be redeployed to profit-generating activities and an improved shopping experience for your customers.



LOSS PREVENTION



Do you know
**how much cash
is lost in your
business**
and what the cause is?

Whether intentional or accidental cash loss is inevitable, researching these losses is time consuming and in some cases not productive. Pressures of counting to match the speed and volume of shoppers during peak hours can lead to unintentional cash loss. In the rush to serve customers and move on to the next transaction, honest mistakes happen — a cashier gives a customer the wrong change or a restaurant staff member miscounts notes from a customer, leaving the till short. Whether cashiers are handling high value notes or small change when serving customers at the POS, or preparing cash for the back office, cash losses are unavoidable. Intelligent cash management solutions provide cashier accountability for lane accountability

models and an improved audit trail between the front of house and back office. Problems involving a specific individual in cases of dishonesty can be tough to prove. This is especially difficult at sites where multiple employees share cash drawers. Intelligent cash management software keeps a transaction record of all activity at each drawer so it's easy to spot a reoccurring problem with an individual or identify where more training is needed. Managers can use data captured to address areas needing improvement.

When a large discrepancy is discovered, going through hours of CCTV footage usually ends up with non-conclusive results, if it is done at all. Imagine; if you could significantly reduce time spent looking through CCTV footage, electronic journals, interviewing staff, and researching a trend analysis. Imagine what you could do with the hours of labor saved.

Store managers, LP professionals, or the corporate video center does not have time to sift through hours and hours of surveillance footage. Now they don't have to. The **SMARTtill®** Solution can send instant alerts to the back office at the exact time a discrepancy occurs. When tied to CCTV, time and date stamped footage pinpoints transaction errors decreasing the time it takes to complete a cash loss investigation. Cash losses can be reduced by up to 90% because it's possible to identify losses by transaction and cashier. Management can provide more training to employees who require it, while honest employees don't have to fear being unfairly blamed for losses.



TREASURY



Another challenge retailers face is cash visibility within treasury. The amount of cash that is sitting in cash drawers or in a smart safe at the POS, or in the back office 24 hours a day, is “dead” cash for the retailer. If the chain has hundreds or thousands of stores, the problem gets magnified. This is cash that could be accounted for in the bank or invested somewhere else. According to a 2017 Global Corporate Treasury Benchmarking survey of finance executives, on average they have daily visibility on 71% of all bank accounts and 80% of their total cash balances.

The **SMARTtill**® Solution reduces the amount of dead cash and delivers cashier accountability electronically, eliminating the need to have spare tills full of cash kept in back office safes. When properly paired with data analytics, retailers can also utilize the cash data gathered to minimize the frequency of armored car services (CIT) pick-up costs. By reducing the number of cash pickups and deliveries, retailers can save as much as \$300 per month per location.¹⁰



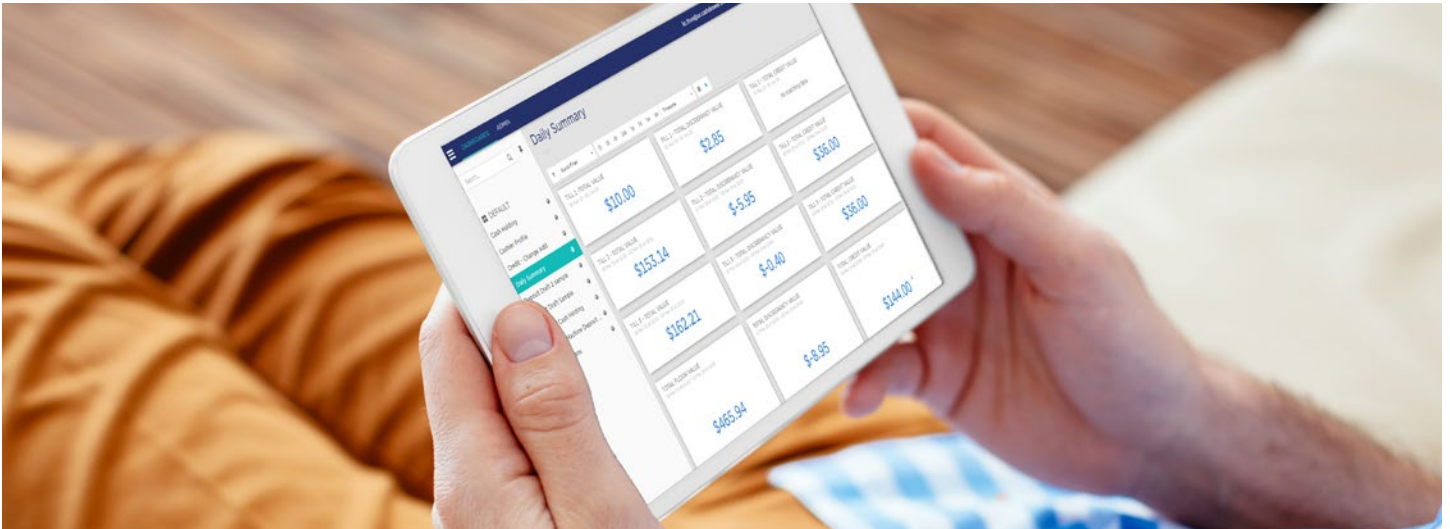
Finance executives have daily visibility on 80% of their total **cash balances**



Finance executives have daily visibility on 71% of all **bank account**



DATA ANALYTICS



The benefits of cash management solutions can help minimize the associated costs with store level cash flow, CIT pick-up and delivery. Intelligent cash drawers keep track of the same level of detail for an entire enterprise; rolling up store-level detail to corporate headquarters. The data from the **SMARTtill®** Solution can be populated into any suitable back office data analytics and used to support intelligent cash management to enable real-time cash visibility at the POS.

APG's **SMARTtill®** Solution can integrate with any of today's cloud applications. The **SMARTtill®** Solution can communicate with a cash management cloud-based software application called CurrentSee® Software. This in turn allows corporate management to make quick, accurate decisions based on real-time data.

When integrated with the retailer's headquarters cash management or loss prevention systems, the data stream supplies retailers with additional business intelligence including manager security alerts, cash transaction errors, manager operational alerts, cash pulls, float top offs, instant cashier profiling and cash drawer performance analysis identifying and alerting management to stores that are not in cash compliance.

When coupled with predictive analytics, the solution enables retailers to work with an optimum float during peak times and special promotions. Retailers can utilize the cash data gathered over time delivering seamless customer service. Further efficiencies are achieved by looking at the overall profile of the best and worst performing stores or lanes when it comes to cash handling. Store locations experiencing high loss or repeated cashier discrepancies can be audited more frequently and reviewed by headquarters for training opportunities and the implementation of cash handling best practices.

Examples of the type of information for each **SMARTtill®** Unit, includes; current cash float value; change levels compared to an optimum level; change top up requirements; value of change added; various alerts for cash lifts; errors and change top offs; and discrepancy data by transaction, shift, cashier, time and date.

SMARTtill® BY APG CASH MANAGEMENT SOLUTIONS

The **SMARTtill®** Solution is a new revolution in cash management, enabling retailers to reduce cash losses, minimize the cost of cash handling, improve in-store productivity and data analytics while allowing re-investment of “dead” cash into the business. No longer does a retailer need to keep a safe of spare tills for shift changes.



The **SMARTtill®** Solution is integrated into your POS solution enabling it to capture, in real-time, all cash activity at the POS location, and reconcile the actual cash movement to the expected cash movement each time the drawer is closed. The data is collected without impact on the sales transaction process and time.

The real-time data sent from the **SMARTtill®** Device provides instant cash visibility at the POS, enabling intelligent management of cash handling activities and the creation of vital reports and alerts. These can be delivered via your back office system allowing managers to



SECURE

Reduces the cost of investigating discrepancies and cash losses



EFFICIENT

Redeploys labor for an improved shopping experience



INNOVATIVE

View actual cash content in real-time without service interruptions

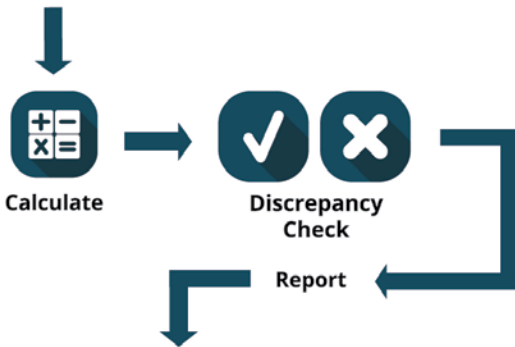
get real-time cash on hand information and full cash visibility at the POS. It can be viewed anywhere from tablets and mobile devices.

The **SMARTtill®** Technology transforms how businesses manage cash — at the POS and in the back office — and delivers valuable information to managers about chronic issues that may indicate a need for further cashier training.



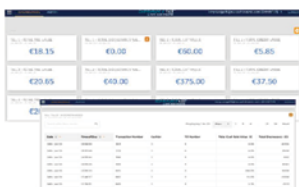
The **SMARTtill®** Cash Management Solution

Uses advanced technology to identify the total cash value within seconds every time the drawer is closed.



CurrentSee® Software

A cloud-based reporting and data analytics solution that can track and monitor your cash handling activities.



CurrentSee® Software generates reports such as:

- Cash Requirements
- Cashier + Till Discrepancies
- Rolling Floats
- Cash Pulls

BUILT-IN INTELLIGENCE

APG's **SMARTtill®** Solution can integrate with any of today's cloud applications. The **SMARTtill®** Solution also has built-in intelligence that integrates with POS software and communicates with a cash management cloud-based software application called **CurrentSee®** Software. Within seconds after a **SMARTtill®** Solution is closed following a transaction, it calculates the new total cash value against the previous amount in the drawer and reconciles it with the transaction amount recorded by the POS software.

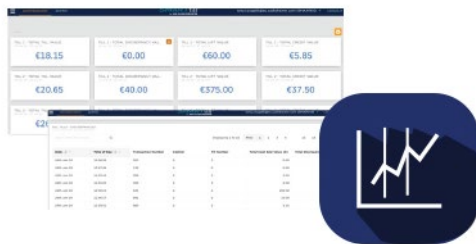
CurrentSee® Software works in real time, recording transaction details such as transaction number and date and time, so any discrepancy is quickly identified. When a discrepancy occurs, the software flags the error and issues an alert to the back office. With cloud-based reporting and data analytics, **CurrentSee®** Software tracks and monitors your cash handling activities and cash performance in real-time, allowing you to be proactive in cash handling operations, streamline processes, analyze cash losses proficiently and obtain greater detail and insight than ever before.

Drag-and-drop dashboards can be manipulated on the fly and provide tailored scorecards, performance charts, and reports for the **SMARTtill®** Solution processes and transactions by lane, cashier and store, region or by any custom defined dimension allowing you to gain a clear view of your business and pinpoint areas for improvement. **CurrentSee®** Software is accessible on either a PC or mobile device, from any location via a secure internet connection, making it a tool that can be used at the end user's convenience and not just within the store during store hours.

Deploy the lightweight and secure **CurrentSee®** Data Collection Agent in minutes to quickly collect data from **SMARTtill®** Units.



Drag-and-drop dashboards can be manipulated on the fly and provide tailored scorecards, performance charts, and reports for **SMARTtill** processes and transactions.



Custom defined dimensions allows you to gain a clear view of your business and pinpoint areas for improvement.



Deploy the lightweight and secure CurrentSee® Software in minutes to quickly collect data from **SMARTtill**® Units.

ABOUT APG CASH MANAGEMENT SOLUTIONS

APG has built a reputation as the supplier of choice for cash management solutions for retail, grocery, hospitality, and quick serve for thousands of customers throughout the world. Our products and brand are differentiated by our ability to deliver innovative technologies that globally enhance efficiency and security at the point of sale. To learn more about our products, visit www.apgcashmanagement.com.

THE SMARTtill® CASH MANAGEMENT SOLUTION

Managing cash at the POS can be a time consuming and costly process for any retail environment. The **SMARTtill**® Cash Management Solution is a revolution in cash management, providing in lane accountability and enabling retailers to eradicate cash losses, reduce the cost of laborious cash handling and improve the customer experience. The **SMARTtill**® Solution will revolutionize the way you manage cash within your organization, tackling cash handling issues from both sides — the store floor and the back office — while maintaining the personal contact with customers.



CASH MANAGEMENT