



Denpay – Car Wash Point of Sale Software

Supporting Monthly Wash Pass Sales Automation

Denpay is a point of sale application running on the Dencar Technology pay station lineup. Denpay was built with the primary focus of being able to sell monthly car wash passes via an unattended and automated process, with immediate fulfillment, tying the monthly wash pass to a singular vehicle with embedded fraud mitigation using Vehicle Identification Automation technology. This is an industry first and it is important to understand why each capability is important. Denpay is managed by Dencar Technology's Integrated Sales Experience (ISE) management platform.

Unify the View of your Car Wash

ISE is a design concept that drives a singular view across all aspects of the car wash sales process. Management of car wash site components are centralized and simplified via cloud integration. Consider a typical car wash has the following supporting devices: 1) pay stations, 2) menu boards, 3) directional signs, 4) gift card sales, 5) media boards, 6) vacuums, 7) website, 8) smartphone apps, 9) vending machines, 10) potentially all of these devices across multiple sites. ISE permits the management of each device via a singular view that can be extended across all locations and viewed remotely. ISE is a cloud driven platform that simplifies car wash management and is the foundation for the Denpay software driven point of sale experience.

The Benefits of Monthly Wash Plans

First, it is critical to understand the impact of a monthly wash pass on your potential customer base. Historically, when a consumer's car was dirty, the consumer would go to a car wash that was convenient for the activity the consumer was doing that day. Depending on where the consumer lives and his or her drive pattern, this would often result in washing at various car washes. The consumer could have a favorite car wash, but the schedule of the day would dictate car wash location selection behavior and their spend was distributed across multiple car washes. However, in the current world, once a consumer purchases a monthly wash pass, that consumer is locked in mentally and financially and will never wash anywhere else but at the monthly car wash pass location(s). By locking in consumers, car wash owners are developing the ability to determine the lifetime value of a consumer. Car wash owners can start to make data driven decisions about sales and marketing plans when we have a digital view of our customers that is metric based. This data is what has driven the large tunnel operators to focus on monthly wash plan sales. Monthly wash plans are allowing operators to capture a much higher percentage of consumer spend and direct it to their site(s) to the detriment of operators that do not offer monthly wash passes.

It is easy to see why tunnel operators sell monthly wash plans because they have the labor to do it and the old-style Radio Frequency Identification (RFID) tags were optimized for this environment. When a consumer wants to buy a monthly wash pass at a tunnel location, the consumer indicates this to one of the attendants and the attendant completes the transaction manually. Manual completion means the attendant obtains the consumer's contact and payment information and inputs it into the car wash plan data base. The attendant obtains an RFID sticker, associates it to the new consumer's account in their database, and physically installs it on the consumer's vehicle windshield. When this consumer wants a



wash, the consumer drives up to the wash and the RFID reader sees the vehicle and lets it through the wash. This functionally works as all the information is collected and the monthly wash pass is physically tied to a single vehicle via the tamper resistant RFID sticker. If the consumer attempts to remove the RFID sticker and use it in another vehicle, the RFID sticker usually “breaks” when it is being removed and will generally not work anymore. This dramatically eliminates fraud because monthly wash plans are tied to individual vehicles. This is extremely important because a monthly wash plan pricing model is only effective (and profitable) if monthly wash plan pricing designed for a single vehicle is only used by that single vehicle.

Where Existing RFID Monthly Wash Plans Fall Short

The positive attributes of the RFID based monthly wash plan program are easy to identify, but what are the negative attributes? The biggest drawback of RFID monthly wash plan management is cost. RFID wash plan management is extremely expensive. It requires people to sell and administer the plans at the site whenever the car wash is open. Monthly wash plan RFID sales requires salesmen to directly interface with the consumer face-to-face. The absolute requirement of any RFID sales process is the installation of the RFID sticker on the consumer’s windshield. If this is not done by the car wash owner’s sales team, the car wash owner is subject to fraud because the sticker can be used in multiple vehicles. Therefore, you never see car wash owner’s teams handing the RFID sticker to the consumer or selling the RFID sticker online and then mailing it to the consumer. (Or do you? Your plan is only as good as your sales team managing it.) The other costs associated with RFID monthly wash plan systems are the RFID readers, the RFID data base, and the RFID stickers themselves. RFID readers are thousands of dollars to purchase and potentially thousands of dollars to install. The RFID data base and associated licensing can run thousands of dollars to tens of thousands of dollars depending on the degree of integration into the point of sale system. The RFID stickers are up to a few dollars per sticker. These negative attributes of RFID based monthly wash plan programs result in a very expensive system that is not financially viable for smaller or unattended car wash businesses.

The Unattended Car Wash Monthly Wash Plan Solution

An unattended car wash monthly wash plan must have these key attributes: 1) automated sales to the consumer, 2) immediate fulfillment of that sale, 3) one-to-one sale of a monthly wash plan to a vehicle, 4) embedded fraud mitigation to limit usage of the monthly wash plan to a singular vehicle. Denpay equipped pay stations provide all four of these attributes. When a consumer pulls up to a Dencar pay station, the consumer is immediately prompted to purchase either an individual car wash or a monthly wash plan. This automated sales process is resident every time a consumer comes to get a car wash. That means 100% of consumers are prompted with a sales message for a monthly wash plan without the cost of a human attendant. When a consumer selects the option to purchase a monthly car wash plan, the only information the consumer must input on the screen is his or her cell phone number. This means data collection is extremely simple and does not slow down your car wash line on busy days. (We call it the 10 second monthly wash pass sale.) After the cell phone number is entered, the consumer simply completes the transaction just like a regular car wash purchase. The magic then happens by the Denpay software interfacing with the Integrated Sales Experience management platform. ISE takes the consumer’s cell phone input from Denpay, creates an account for the consumer using their cell phone number as the login, associates the consumer’s payment information to that account, and establishes monthly reoccurring billing against that account, all in a Payment Card Industry



(PCI) compliant environment. Denpay also includes License Plate Reading technology and associates the license plate number of the vehicle to the monthly wash plan. In doing so, Denpay sold a monthly wash plan, permitted the consumer immediate access to their monthly wash plan, and ties that monthly wash plan to the vehicle being washed in a one-to-one fashion. In parallel to this activity, the consumer receives a text message on their cell phone thanking them for the purchase and an instructional video demonstrating how to administer their monthly wash plan going forward. The consumer will also receive a link to download the car wash owner's branded app that was developed by Dencar. The consumer uses the car wash owner's branded app, via bar code scanning at the Dencar pay station, to receive future washes on their monthly wash plan. Alternately, the consumer can simply enter their unique numeric wash code into the Dencar pay station to receive a wash.

Fraud Mitigation

The first question you should ask is what about attribute 4, fraud mitigation, on the Dencar platform? Couldn't a consumer just take a screen shot of the bar code or share their unique numeric wash code with others? The answer is yes, and we invite that activity. This is how family monthly wash plans are easily established and revenue is driven higher. Our goal is to remove friction from the sales process and to easily add other vehicles to the monthly wash plan (and charge for each vehicle added). Since the Denpay software captures the license plate of the associated user, when the Denpay software sees a new license plate in use on an existing account, this is an indication of the consumer's intent to add another vehicle to their monthly wash plan with corresponding additional monthly charges. We realize there are instances where consumers may not want those additional monthly charges and the Denpay software utilizes a workflow management process to notify the account owner of the activity and solicit the account owner's input. For example, here are three scenarios:

Scenario 1: The original wash plan purchaser (account owner) is the mom in a family and she drives vehicle A which was already automatically tied to her monthly wash plan. She provides her bar code or wash code to her husband and the husband washes vehicle B using his wife's account. The account owner will be notified via text message and app notifications of the activity and be prompted to select one of the following choices:

- 1) add the vehicle to her account and incur additional monthly wash plan charges
- 2) pay for the wash use at the individual wash price (her payment info is already securely stored!)
- 3) replace vehicle A with vehicle B on her monthly wash plan

The monthly wash plan cannot be used again until a selection is made. If the account owner does not select a choice on their app, these same prompts will be displayed on the Dencar pay station when the account is next used, and the account owner notified of the selection made. Assuming the account owner intended to have her husband's vehicle added to her family plan, option 1 would have been selected.

Additionally, the initial notification to a wash pass holder includes an "oops" button that simply says, "Sorry, I didn't realize the wash pass was for only one vehicle." This allows the operator to have a very soft touch approach initially and minimally escalate as required if someone tries to cheat. The goal is zero confrontation for unintentional use, just provide education for the customer. For those that intentionally test the system, they will quickly know the system is watching them.



Scenario 2: The original wash plan purchaser (account owner) is an individual with questionable ethical standards. He purchases a monthly wash pass and even though he was notified that the monthly wash pass is only for his vehicle, he gives his bar code or wash code to his girlfriend to defraud the car wash owner. When his girlfriend uses the pass, he (account owner) will be notified via text message and app notifications of the activity and be prompted to select one of the following choices:

- 1) add the vehicle to his account and incur additional monthly wash plan charges
- 2) pay for the wash use at the individual wash price (his payment info is securely stored)
- 3) replace vehicle A with vehicle B on his monthly wash plan

In this case, the account owner realizes his mistake and must decide to pay for his girlfriend's washing or stop the practice. Either way, the monthly wash plan cannot be used again until a selection is made. If the account owner does not select a choice on their app, these same prompts will be displayed on the Dencar pay station when the account is next used, and the account owner notified of the selection made.

Scenario 3: The original wash plan purchaser (account owner) purchases a new car. When he washes his new car, he (account owner) will be notified via text message and app notifications of the activity and be prompted to select one of the following choices:

- 1) add the vehicle to his account and incur additional monthly wash plan charges
- 2) pay for the wash use at the individual wash price (we have his payment info stored!)
- 3) replace vehicle A with vehicle B on his monthly wash plan

In this case, the account owner would simply select option 3 and replace his old vehicle with his new vehicle.

It is important to note that this notification process is built into a workflow automation platform. The account owner is only notified if there is an exception, such as a license plate mismatch. Under normal usage, the account owner is not notified for each wash.

App Based Alternatives

Another question you may ask is how do other providers sell monthly wash plans to unattended car washes? The alternatives today are primarily based on using a smart phone app to sell monthly wash plans. There are two major challenges with this approach. The primary issue is forcing a user to download an app creates friction in the sales process. Anytime friction is introduced in the sales process, the casual buyer will not purchase. Monthly wash plans are only profitable when average usage across the entire user population is kept low. If the process to purchase a monthly pass is difficult, only the most committed users will purchase a monthly wash pass. The committed purchaser will also be the most frequent user of the service so the average wash pass usage will be high. This is not good for the car wash owner as the car wash owner will lose money on these users. The other major challenge with app-based sales is the inability to tie a monthly wash pass to a specific vehicle. When a consumer can use their monthly wash plan with multiple vehicles, this also increases average usage per plan. App-based sales companies have attempted to mitigate fraud using bar code time stamps and smartphone GPS capabilities, but these are not effective. They ignore the issue of multi-vehicle driving within a user, family, or carpool. The result is the same in that this is not good for the car wash owner as the car wash owner will lose money on these users as average use per monthly wash pass increases. Additionally, these apps are frequently not branded to the car wash owner. It does not



make sense to use someone else's brand to try and sell monthly car wash passes to your customers when Dencar Technology will provide each car wash operator with app branding.

Platform Attributes

Now that you have a good understanding of the Denpay capabilities as a point of sale and monthly wash pass management platform, you should gain a further understanding of the platform attributes. Denpay runs on a cloud-based architecture. This means that your environment is connected to commercial grade data center architecture and centrally managed. The alternative to cloud architecture is to install dedicated servers at your car wash premises. Dedicated servers are fraught with problems including: 1) software licensing, 2) life span of support, 3) updates and patch management, 4) and a lack of redundancy. As you consider a point of sale platform for your car wash, if you talk to any company that intends to install a server at your car wash, you should run away as fast as you can. Any company installing dedicated servers today is at least 10 years behind the technology curve and you do not want your car wash on an environment that old. Unfortunately, you will be told this design of "dedicated servers" is intentional so that you can run your car wash even when your Internet connection goes down. On the surface, this sounds good, but don't be fooled. Dencar Technology pay stations have a managed security and network service element that includes cellular backup for your credit card processing and monthly wash plan management. This gives you the comfort to know that even if your primary Internet connection goes down, your site will still be up and running. Another attribute you should consider is the operating system on which your point of sale and monthly wash plan program will run. Most point of sale platforms are built on a Microsoft Windows architecture. Windows is a consumer platform which is why we built the Denpay point of sale platform on Linux. Linux is known for its reliability as a business platform as it was an evolution of Unix. Unix/Linux is the operating system that runs large businesses because of its flexibility, reliability, and simplicity. Windows is a consumer platform designed to be managed by Microsoft. When Microsoft makes a change, pushes an update, or decides right now is a good time to perform a security audit of your computer, your car wash operations will be impacted. Linux does not operate in that fashion and is the optimum choice for commercial applications. Finally, we would like to call your attention to platform management. Denpay is administered via the Customer Management Portal that is accessible from any Internet connected device. You can take your car wash management with you in the palm of your hand. Your customers can do the same as they administer their accounts, including their credit card updates, directly in the car wash operator's branded app. This eliminates the operator from chasing customers with emails and phone calls saying your credit card expired or payment did not go through. Those tasks are automated by Denpay and free the car wash operator from that tedious activity.

Built for Operators by Operators

The Denpay point of sale and Integrated Sales Experience platform were designed by car wash operators to simplify our lives. The creation of Denpay results in other car wash operators being able to grow and simplify their businesses too. We tried other platforms previously and never achieved the focus, growth, or simplification we desired. Those challenges resulted in the formation of Dencar Technology. We hope you see that Denpay is the car wash industry's most advanced point of sale platform and is designed to simplify your operations while driving revenue growth. Check out our case studies and let's have a conversation about growing your business too!