



## **Living in a cashless society**

*For Victoria-based butchers Cannings, the decision to adopt a cashless business model in 2014 has delivered significant business benefits with card transactions increasing from 400 in 2010 to 3,500 today. Founder Sam Canning explains why business owners need to put themselves in their customers' shoes when deciding whether to introduce a payment surcharge.*

Business owners should ask themselves: 'when you're the customer how do you feel when a surcharge is added to your bill? Angry and confused or happy?'

The truth is that no customer enjoys seeing an extra fee added to their bill simply because of how they've chosen to pay. There's no doubt in my mind that it has a negative impact on the customer experience, as well as affecting future brand loyalty and advocacy.

Customer service at Cannings means a commitment to viewing situations from the customer perspective. In fact, we actively encourage staff to put themselves on the other side of the counter from time to time to get a different view.

Extending this approach to the issue of surcharging, I don't want to be charged extra because I've decided to pay by card and if I don't, my customers don't either.

Cannings' success is built upon our repeat clientele and because of where we are based in Melbourne's inner-east suburbs, we can't always rely on high footfall and new customers. As such, it's critical our customer service leaves clients feeling happy so they return – and many do, visiting us two or three times a week.

In 2014, we made the decision to go 100 per cent cashless – making card the only payment option we accept – which has been great for our clients and our business. For context, when we launched five years ago and accepted card and cash we were processing 400 transactions a week. Today, in our cash-free state that number is 3,500.

Furthermore, our cashless approach makes it easier to manage our accounts; there's no back and forth to the bank to top up the tills, reporting is more accurate and there's less opportunity for money to go missing.

I believe transactions are two-way relationships and need to be beneficial and fair to both parties. Considering the huge value of card payments (and those making them) to our business, eliminating surcharges makes sense and we have happy customers because of it.

Customers in the 21<sup>st</sup> century don't expect to be surcharged, which is why it's such an unpleasant surprise when they are. It wouldn't surprise me if more businesses follow our lead and go cashless in the future. The successful businesses in this new digital economy will be those who look to keep things as simple, painless and efficient for their customers as possible – and this means doing away with surcharging.