How Midwest Coin Went Cashless to Achieve 40% Year-Over-Year Growth

Headquarter Locations:
- Waite Park, MN
- Menomonie, WI
- Superior, WI

Region: North America
Embed Customer Since 2012

Solution Highlights:
- 13 locations in 3 states
- 292 AIO Card Readers
- 250 SmartTOUCH Readers
- 23 Kiosks – (3) emONE Kiosks

OVERVIEW

Midwest Coin Concepts, the premier choice for amusement entertainment solutions, manages a diverse list of locations including restaurants, bars & taverns, family entertainment centers, bowling centers, movie theatres, hotels, casinos, and more. With origins based in Minnesota, Midwest Coin Concepts used their experience gained over the last 45-plus years to develop into a nationwide leader of amusement entertainment. Today, they have grown to employ more than 50 employees across three locations, headquartered in Waite Park, Minnesota as well as locations in Superior and Menomonie Wisconsin.

CHALLENGE: WORKING MORE EFFICIENTLY WHILE EXPANDING ROUTE OPERATIONS

As a street operator, Midwest Coin partners with local businesses to transform vacant spaces into arcades, providing them with turn-key entertainment solutions. Midwest Coin had the opportunity to partner with Space Aliens, small, regional chain of outer space themed restaurants, to construct a 1200 sq. foot game room. They set up the entire game room, created the layout and displays, customized equipment to the restaurant's theme, and opened the game room on tokens and tickets. Over time, Midwest Coin began researching how to automate their process with cashless business solutions and implemented the Embed system, allowing them to go completely cashless with an integrated solution that includes contactless card readers and self-service kiosks.

SOLUTION: AUTOMATING SERVICE AND MAINTENANCE OF ARCADES BY IMPLEMENTING THE EMBED CASHLESS SYSTEM

The transition of moving from manual processes and going cashless with the Embed System was seamless and well-received by guests visiting the restaurant. Midwest Coin saw a significant increase in revenue by eliminating service calls, token jams, and reloading tickets, along with increasing their operational efficiency by cutting down on labor-intensive and expensive work servicing token changers and ticket machines. Embed's intuitive and easy-to-use system

delivered a superior and seamless guest experience to patrons visiting the restaurant's arcade.

Midwest Coin took it one step further by installing Embed's Kiosk and emONE kiosks into their locations. The Kiosks offer easy upsell features, package deals, and automatic reloading of game cards. Most of Midwest Coin's Kiosks are set up to offer bonus play for different purchase levels. The most popular bonus play offered is $10 purchase that upsells to $15, giving the guests a $20 play value. The biggest advantage of having the Embed System was the ability to accept credit cards through the Kiosk. "It was phenomenal how much credit card use went up [with the Kiosk] over a token changer that accepted credit cards," recalled Chip O'Hara, Owner of Midwest Coin Concepts.

RESULTS: 40% INCREASE YEAR-OVER-YEAR, EXPANDED ROUTE OPERATIONS, AUTOMATED BUSINESS PROCESSES.

With the help of Embed's integrated solution of card readers and kiosks, Midwest Coin is profitable in small, unmanned game rooms in locations such as malls, restaurants, and hotels. Sixty percent of Midwest Coin's locations are unmanned with an emONE kiosk. They placed an emONE kiosk into iPlay, a 14-piece game room next to a Target, with electricity set on timers. Most notably, Midwest Coin transitioned a 40-piece hotel game room from tokens to cashless and realized a significant increase in profitability. By taking a leap of faith to install Embed solutions into a small game rooms, Midwest Coin achieved a 600% increase in credit card usage and a 40% increase in overall gross year-over-year.

"When I first told some of my peers in the industry that we were going into a location with 14 games and the Embed system, they raised their eyebrows at me," O'Hara stated. Instead of buying token changers and ticket machines, Midwest Coin invested in an intuitive cashless solution that provides value and convenience to guests that visit their locations. "We installed the emONE into our unattended hotel game room areas and have seen a substantial increase in non-cash revenues, an overall increase in revenues, a cannibalization of service calls and an optimized guest experience" O'Hara said. "The biggest area of opportunity for street operator's growth [using the Embed System] is being willing to install a system into small, unattended locations."

CONCLUSION

As a street operator, Midwest Coin is in a unique position to create automated, self-service arcades of all sizes. The Embed System enabled Midwest Coin to profitably enter small locations they had not previously considered.