

# How Cannabis Dispensaries Can Utilize Interactive Kiosks to Enhance the Customer Experience





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## About Frank Mayer and Associates, Inc.

Frank Mayer and Associates, Inc. is a leader in the development of in-store merchandising displays, interactive kiosks, and store fixtures for brands and retailers nationwide. The company helps retailers and brands utilize the latest display solutions and technologies to create engaging customer experiences. Visit [www.frankmayer.com](http://www.frankmayer.com) for more information.



# INTRODUCTION

If you're in the business of cannabis, what I'm about to say won't come as a surprise. The often-controversial industry is growing like a, well, weed.

Despite still being illegal under federal law, 10 states and the District of Columbia have legalized cannabis while more than half the states allow the sale of medical marijuana.

With research showing the market continuing to expand exponentially, there's been no shortage of authorized dispensaries opening to meet the high public demand in many metropolitan areas. In fact, the oft-quoted fact that Denver has more pot shops than Starbucks and McDonald's locations combined should serve as the perfect example of how robust the market is.

With a saturated market, both new as well as established shops must consider how to stand apart from the competition and pose themselves for growth.

Enter interactive kiosks.

Most stores recognize the importance of a topnotch experience to encourage repeat customers – whether it's due to helpful budtenders, excellent product selection, a great loyalty program, or similar – but imagine also tackling common pain points like long lines, busy employees, and strict marketing regulations using self-service technology.

Ryan Stewart, Marketing Manager at Marijuana Venture Magazine envisions just that for the future. "I believe we will start to see a snowball effect as cannabis retail operators embrace proven interactive technologies over the next couple years as competition heats up in new legal marketplaces."

He continues, "Simply having a unique store design or the 'best deals' won't guarantee long-term success and expansion in this young industry."

Below we detail common challenges in the cannabis store industry and how kiosks can provide the service solutions needed to enhance the customer experience.



# LONG LINES AND WAIT TIMES

Whether it's because of the lunch rush or the gaggle of out-of-state tourists who have come for their first visit, wait times to meet with a budtender can sometimes leave regular customers impatient in the waiting room or as they slowly snake around the roped line.

Now picture the efficiency a self-service kiosk affords as repeat customers can quickly place their favorite order, print a ticket, and pay at the counter without waiting for an associate to finish with a new buyer.

The kiosk also delivers an educational menu for both new and return guests who want to explore inventory and read about products while waiting or browsing. Thus, patrons who still wish to meet with a budtender will be more informed and can skip some of the initial, exploratory conversation in favor of more detailed discussion.

“Self-order kiosks are a proven way to deal with long lines and wait times that can lead to guest dissatisfaction,” says Juan Perez, President and CEO of ADUSA, the company behind Qi.DP™, a digital engagement software specifically designed for dispensaries. “But in addition to helping address the problem of frustratingly long wait times, the kiosks also make the guest feel more empowered and in control of their shopping experience.”

The [2017 Customer Service Barometer](#) study by American Express shows 40 percent of customers want companies to focus on their needs quickly, proving self-service options that reduce aggravating wait times could be just the ticket to improve consumer satisfaction at dispensaries.



# INCREASE REVENUE

Self-order kiosks have been proven to increase revenue for businesses. Studies have shown that ticket orders from quick service (QSR) and fast casual restaurants increase 15 to 30 percent when using self-service technology. This is often credited to smart software features that recommend complementary options when customers add a menu item to their order.

Dispensary kiosks offer the same capabilities, acting as an extra sales tool and recommending products based on previous buys or merchandise in a customer's shopping cart.

“Good kiosk software is essential and has to provide the key components that have been proven to increase sales through the kiosk,” Perez states. “At the top of the list of essential functionalities in the software is an effective suggested selling (both up-selling and cross-selling) mechanism.”

Like QSRs, cannabis dispensaries can also employ these software features to encourage a patron to add extra accessory items to his or her cart.

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**Juan Perez,**  
**ADUSA**



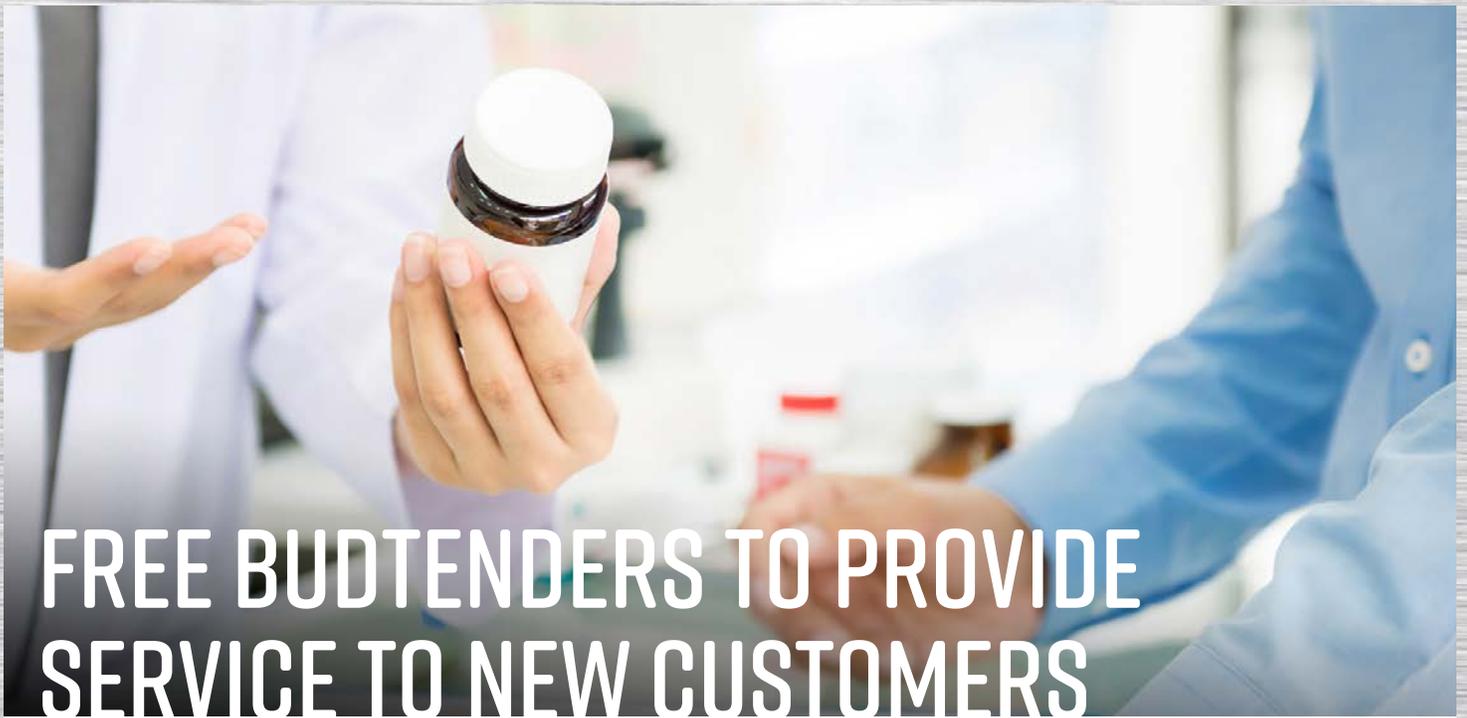
# INVENTORY MANAGEMENT AND PRICING UPDATES

Software that communicates with a dispensary's point-of-sale (POS) system can enable real-time updates to inventory and pricing, ensuring that customers will have the most up-to-date information about an item while using the self-service kiosk. When a particular strain sells out or a price special has ended, the kiosk menu can automatically reflect this change.

Currently, many stores offer paper menus for guests to peruse while waiting or feature digital signage with a menu of options. However, changes to paper menus are uneconomical, and digital signage doesn't offer guests the extended product information afforded by a kiosk.

In addition, kiosk screens also provide bonus real estate for shops to use as a marketing tool. Screensavers can promote daily deals or specialty items to help drive interest from a receptive audience.





## FREE BUDTENDERS TO PROVIDE SERVICE TO NEW CUSTOMERS

The quick service restaurant industry was one of the first verticals to adopt self-service technology en masse. After implementing the technology, restaurants found the redistribution of labor to be a significant advantage. Cannabis dispensaries can reap the benefits of doing the same.

“Offering self-service technology can put customers in charge of their own experience and cut down on simple tasks that currently require budtenders,” says Dave Loyda, Marketing Manager at Frank Mayer and Associates, Inc., a point-of-purchase display firm that produces the Approach interactive kiosk for cannabis dispensaries. “Subsequently, employees are then free to concentrate on offering impeccable service to those with questions or quickly help someone ready to check out.”

With so much competition in the cannabis market, customer service is imperative to retain customers and achieve excellent word-of-mouth advertising. Self-service technology can assist shops with maintaining a high level of service to their guests.

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**Dave Loyda,**  
**Frank Mayer and Associates, Inc.**



# FRICITIONLESS LOYALTY PROGRAMS AND PERSONALIZED EXPERIENCES



With tight marketing restrictions imposed on the cannabis industry, many dispensaries rely on loyalty programs to preserve customer information and house important account data for shoppers. Currently, however, many shops rely on budtenders to spend time recording a shopper's information for a loyalty plan. In addition, customers have few avenues to view their own program details outside of visiting a shop's website.

With kiosks, responsibility is transferred to the customer for sign-up, easing the burden on the budtenders while also giving return customers access to their accounts to view order history, product favorites, and more.

"Because loyalty programs are an essential tool in many dispensary's marketing plans, offering a frictionless means for patrons to sign up is crucial for business," Loyda asserts. "Return customers also benefit by being able to retrieve their history, and shops have access to data that allows for a personalized experience based on popular orders."

# CONCLUSION

“It is increasingly difficult to predict what market forces are going to shape this emerging retail industry moving forward,” Stewart states. “One thing should be known, however, that no matter how much we are distracted by the ‘weed’ thing, the same rules should apply when it comes to attracting loyal customers and increasing revenues in a retail environment.”

While the marijuana industry continues to expand at a rapid rate, and more stores fine-tune their customer service strategies, employing interactive technology like self-service kiosks to engage the customer and ease the burden on employees will help set shops apart from the competitors.

