



Micro Market Technology provided by 365 Retail Markets



# HOW TO CHOOSE THE RIGHT TYPE OF CONNECTIVITY FOR YOUR MICRO MARKET

Micro Markets, unattended retail stores that allow customers to pay at self-checkout kiosk, continue to demonstrate change and growth in the current vending space. With customers demanding greater product variety and custom shopping experiences, the future is very bright for this new technology.

As operators look for ways to expand, provide more value for their customers, generate more revenue, and produce more profit for their business, micro markets can be an incredible source of reaching those goals.

One important component operators need to consider when installing a new micro market is connectivity. While traditional vending machines can be operated with cash only, micro markets require connectivity in order to allow

customers to pay at the kiosk, check their account balances, report inventory levels, allow diagnostics, update firmware, and provide sales data.

There are typically multiple connectivity options available, but it's important to consider the pros and cons of each option for every one of your locations.

By partnering with OptConnect and 365 Retail Markets, operators have a team of experts working to ensure that their micro markets and connectivity are working to their highest potential.

Here are a couple of steps to follow and things to consider when choosing the right type of connectivity for your micro markets.

**99%**

99% increase in total revenue for micro markets from 2016 to 2018.

**\$74,000**

The average revenue per micro market location was \$74,000 last year.

**2X**

Micro markets are predicted to double in revenue by 2022.

# Working Together to Ensure Micro Market Success.

## Step 1: Partner With Industry Experts



When partnered with OptConnect and 365 Retail Markets, operators connectivity becomes fully managed. They will have a team of experts working to ensure downtime is reduced, that customers have frictionless checkout, and revenue is generated faster.

### OptConnect

OptConnect provides a secure and reliable monitored wireless connection to the Internet for unattended equipment that is easy, low-risk, and convenient - all supported by a superior customer service infrastructure. With over 160,000 connected devices, operators connectivity is handled from start to finish.

### 365 Retail Markets

365 Retail Markets is the global industry leader who has over 25,000 POS around the world and you can find their technologies in 13 countries. They are not only experts in micro markets but innovating the industry with cutting-edge vending, mobile and dining technologies.

365 works with the top foodservice operators helping to facilitate their success and meet consumers snacking and meal needs.

## The OptConnect Difference



Cost Savings



Speed to Market



Reduce Downtime



Ease of  
Deployment



Bypass  
On-Site IT



Faster Revenue  
Generation



Close Deals  
Faster

To learn more, contact one of our connectivity experts today at

[Wireless@OptConnect.com](mailto:Wireless@OptConnect.com)

# OptConnect's Managed Solutions

## Step 2: Determine the Correct Connectivity Option for Each Location

By partnering with a fully managed solution provider like OptConnect, operators can effectively outsource one of the most important components to their success to a reliable partner who focuses 100% of their time to making sure their devices stay connected. Operators pay for the data that they use and are protected from huge overages while also having one point of contact if they have any issues with their connectivity.

A managed solution provider offers ease of installation, network security, purchase and lease options, customized data plans, and more. *By partnering with OptConnect, operators can focus on their business with the peace of mind that their markets will get connected and stay connected.* With plug-and-play functionality built in, all the operator has to do is plug in the device and use it.



### Pros



- Single source of contact 24/7 support for both hardware and connection issues



- Ease of installation for virtual plug and play. When specific routing or settings are needed, dedicated technical support to assist set-up



- Network security, connectivity, profiles, firmware upgrades are handled by the managed solutions provider



- Ability to have multiple carriers and just pay one bill

### Cons



- Monthly communication costs



- Possible threat to job security for dedicated communication staff

# Existing Local Internet Connections

It is enticing to look for low-cost or “free” connectivity solutions when setting up a micro market location. Since most micro markets are going into established businesses or other locations that have Internet connectivity already connected, it would make sense to look at this option. In today’s environment, most locations are quite restrictive about who and what they let on their network for security purposes. When placing a micro market in a 3rd party location, it can be time consuming to get local IT to work with you and then you also don’t have any control if and when the network goes down. *What looks enticing from an initial cost analysis by connecting to an on-site existing connection may not provide the reliability, security, or control necessary to effectively run a micro market.*



## Pros



- No monthly data costs



- Decent bandwidth speeds

## Cons



- Getting permission from IT can be a lengthy process and can involve high implementation costs



- Possible need to open firewalls or to enable security rules with IT can be burdensome



- Static IP connections are rare



- Can suffer from spotty Internet service or poor download/upload speed



- Local IT maybe resistant or unwilling to troubleshoot your potential Internet

# Local Wi-Fi



Another option most operators will look at when setting up a micro market is the availability of local Wi-Fi networks that they can jump on. Typically, there are no monthly data charges and it seems like a quick and easy way to get their market operational while also keeping their monthly operating expenses low. However, similar to existing local area network connections, using an existing Wi-Fi connection provides no control if and when the network goes down since you aren't managing it. There are also risks with security and most networks are not compliant with PCI. Additionally, speeds may be limited when there are lots of users on the network, which is often during breaks and lunch when speed and reliability are at the greatest need for micro markets. *Seeing a Wi-Fi signal in a potential location can seem promising, but due to the lack of security, control, and reliability, it is not the most effective connectivity solution for micro markets.*

## Pros



- No monthly data costs

## Cons



- Not a secure connection method



- Limited range or distance



- Network names and passwords are subject to change



- Connection speeds can change depending on number of users



- Wi-Fi may not be PCI compliant

# Purchased Aircard, MiFi, or Jetpack

Operators just getting into micro markets and testing things out may look at a device like a jetpack to handle their connectivity needs. While it alleviates some of the drawbacks of the options listed above, it also falls short in most instances. One main reason for that is the fact that these types of devices were created for personal use and not built to handle the demands of a commercial application. That means, that

when a device encounters an issue it will require a manual power cycle where the operator will have to visit the location to remedy the problem. While this may work for a location or two, ***it is difficult to scale and be successful with this hardware that was never intended for heavy commercial use.***



## Pros



- Set-up is fairly simple

## Cons



- Monthly data costs



- Subject to either overages or slowing after certain data thresholds



- To reset lost connections usually requires a manual power cycle



- Designed for personal and not commercial use

# Purchased Hardware & Set-Up Data Plan

Operators looking to manage their own connectivity can purchase a wireless modem from a hardware manufacturer and set up their own data plans with a carrier. While this option alleviates many of the issues addressed earlier, it also exposes some new drawbacks that need to be considered. The major benefit of this set-up is that it gives the operator full and complete control. ***The drawback is that most operators don't have the expertise and/or time to deal with set-ups, configurations, software, security, data plans and carrier relationships, troubleshooting, and on and on.***

Instead of focusing on running a successful vending operation, operators using this option are forced to spend considerable resources managing their own connectivity which takes them away from focusing on what they are really good at. If a piece of hardware does have issues, operators have to try and remedy things on their own with little help or support from suppliers. Purchasing hardware upfront can also be very expensive depending upon the size of the operation and how many locations they are connecting.



## Pros



- You have full control of the hardware and data plans

## Cons



- Monthly data costs



- Setting up the configurations with all of the different options can be difficult for a novice



- Coordinating data plans to be as low as possible without hitting overages can be a time-consuming balancing act



- Maintaining portfolios with software versions can require trained and dedicated resources for communications



- Doubtful that you would want to coordinate both billing and contractual data plans with more than one carrier



- If only using a single carrier, some locations may suffer from poor coverage or limited bandwidth