



Cashless Society

The leisure industry is starting to make the most of RFID technology

A 'cashless society', a society without cash, is a concept that governments and financial institutions have advanced steadily over recent decades. Promoted as a more convenient way of payment for the consumer, as well as a method of reducing crime, financial institutions have innovated with debit cards, credit cards, internet banking and the like, slowly bringing society into an 'acceptance zone' from where further steps can be taken.

Last year, Peter Ayliffe, the Chief Executive of Visa Europe, suggested that by 2012, credit and debit cards and payments would be cheaper and more convenient than cash, and that some retailers might even start surcharging customers if they choose to buy products with cash, because of the greater cost of processing these payments.

The leisure industry in Australia and New Zealand has been part of this move to a cashless society, led by initiatives such as internet ticket sales for sport and entertainment events and by direct debiting becoming the normal method of payment for health club memberships.

As for the 'further steps', the leisure industry is beginning to take this cashless approach further with the adoption of RFID technology. First introduced by Fitness First at the start of 2007 (using Gartner technologies systems for members' access to lockers), RFID has massive potential not just in locker access but also in access control, time recording, identification, billing and retail sales.



RFID tags can be incorporated in a variety of formats.

RFID (radio-frequency identification) is an automatic identification method, relying on storing and remotely retrieving data using devices called RFID tags or transponders. RFID has been used in many industries, most notably supply chain management, but until recently its use in the leisure industry had been cost prohibitive.

However, with RFID tags costing less, RFID technology is being used in a variety of leisure environments, with a massive growth in use anticipated in the very near future.

RFID tags can be incorporated in contactless cards, tickets, wristbands (of various materials - rubber, paper, plastic), key fobs, watches and a huge number of other alternatives, with their data able to be read by wired or wireless systems, integrated with access control, point-of-sale (POS) and other systems.



In practice, leisure consumers can use their tags:

In fitness clubs and aquatic and recreation centres

- * For full access control throughout the club or centre (including gender only access into specific change rooms);
- * For access to lockers - with no more keys or numbers to remember, Locker doors are alarmed if broken into while lockers can be assigned to particular members;
- * Customers can store a cash balance or pre-authorise credit card spending limits on an individual or family/group basis on the tags for internal purchases. In this way members do not have to bring in wallets or small change while one thousand members placing one hundred dollars each on their membership card has proven to increase secondary spending while giving owners a slush fund of debit income.

Cashless payments also means employee time management efficiencies, minimises cash loss and allows for greater focus on customer service.

In swimming pools/waterparks

* An additional feature is that the RFID tag can be incorporated into a waterproof wristband or sports watch, enabling guests to use only their RFID tag throughout their visit, from access to lockers when arriving through food and beverage (F&B) as well as other purchases. The RFID tag can also be used to identify and purchase ride digital images on specified rides/slides, with the latest photograph association technology able to correlate multiple photos to a single RFID tag.



In events and venues

* The lowering cost of RFID technology means that single use RFID tags in tickets and wristbands can be used for entertainment and sporting events in a variety of arenas and venues, with data and/or value stored on the RFID tag. These tags may have a specific operational lifespan

and, when incorporated within wristbands, are invalidated if removed;

* RFID tags also simplifies the management of access to restricted areas with access privileges assigned to individual tags corresponding with different areas within the venue;

* For certain events, RFID tags can be used for age verification with a patron's age written directly to the RFID tag. One use of this is in restricting the ability of minors to purchase alcohol;

* For venues with memberships, the RFID tag within their membership device offers the advantages associated with fitness clubs and aquatic and recreation centres coupled with their cash balance on the device allowing considerably faster retail transactions.

Indeed speed is also one of the major advantages of RFID technology for managers, with access eased and retail transactions accelerated when RFID tags are used - as well as having the advantage of removing cash handling.

For retail purchases, as diverse as F&B and digital imaging in waterparks; merchandise at venues; headphones, MP3 devices, towels, swim goggles; or refreshments or health bars in fitness clubs and aquatic and recreation centres, RFID tags speed up transactions. For fitness clubs and aquatic and recreation centres, the latest developments enable such items to be sold via RFID tag activated vending machines. And for all such purchases, consumers can add value to their RFID device on line, at ATM-style kiosks, or at reception/venue service areas.

As Joanne Russell, Director of the Recreation group, who have recently launched Links Modular Solutions' RFID system, explains, "we love the idea of members being able to have cash on their membership card to make internal purchases simpler and easier and do not have to worry about bringing in credit cards or wallets/purses. Now the member's card can be used on vending machines and it is also fantastic for access control."

Another recent RFID installation, at the Melbourne City Baths (recently voted Victorian Fitness Club of the Year), has prompted Manager Mark Jones to add that "our LMS Links software and Gartner access control offers a seamless total solution for our members. There is no need for members to bring wallets or carry or wear cards with them. We also use Links for our total access control throughout the centre and we know through the software which member is in each locker and know, via a locker alarm, if it has been broken into."

RFID tags' access control functionality provides positive verification and allows the operator to quickly see whether access should be granted and increases access security and efficiency while making the venue experience more convenient for the guest.

With driving repeat attendance a business goal throughout the leisure industry understanding a guest's purchasing habits allows management to streamline operations, providing a more efficient, easier purchasing experience for the guest.

RFID technology helps in gather statistics such as time and duration of access; purchases amounts, times and locations; and demographic information. This data can be used to help drive repeat attendance, improve onsite sales and improve the overall member/guest experience.

Sponsorship opportunities also make RFID tags an attractive proposition - putting a sponsor's logo on a card or wristband is equivalent to putting that logo on note in a consumers wallet, resulting in a higher likelihood of the sponsor's product being purchased both on and off-site.

Australian company Links Modular Solutions Pty Ltd and Gartner Technologies are the first to bring RFID solutions to the Australasian market, and believe this innovation will have a huge impact on the leisure industry.

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