



The Arby's Perspective on Contactless

Gavin Waugh
VP & Assistant Treasurer
Arby's Restaurant Group, Inc.

CTST 2008
May 14, 2008

Key Business Drivers



2

- Speed / Efficiency
- Convenience
- Security / Reduced Fraud
- Differentiation / Loyalty / Gift
- NFC Introduces New Opportunities



3

Challenges & Costs

- **Early Adoption**
 - Level of Issuance & Target Markets
 - Customer Education
- **Equipment**
 - Initial Cost
 - Integration with Existing Equipment
 - Ongoing Maintenance
 - Firmware Updates
- **Calculating ROI**
 - Reporting
 - Measurement
 - Availability of ROI Models



4

The Arby's Experience

- **Background**
 - Pilot: Feb thru Mar 2006
 - Roll out: April thru Jun 2006
 - 1,000 Corporate owned restaurants
 - 100% Inside restaurant, 80% Drive-thru
 - Franchisee adoption not mandatory but there is interest
- **Roll Out Challenges and Key Learning's**
 - Training challenges: cashiers *and* customers
 - Tech support challenges
 - Certification complexity
 - Building configuration challenges



The Arby's Experience

- **Results so far**
 - Contactless average ticket is lower than mag. stripe
 - Customer usage is low in markets with low issuance
 - Customer usage varies greatly between markets with high issuance
- **Next steps for Arby's**
 - Measuring program effectiveness & refining ROI model
 - Working with hardware vendors on hardware improvements
 - Continued "pressure" on issuers to boost issuance
 - Monitoring developments with Contactless, NFC and OTA deployments



Contact Information

Gavin Waugh
VP & Assistant Treasurer
Arby's Restaurant Group, Inc.
1155 Perimeter Center West
Suite 1200
Atlanta, GA 30338
gwaugh@arbys.com