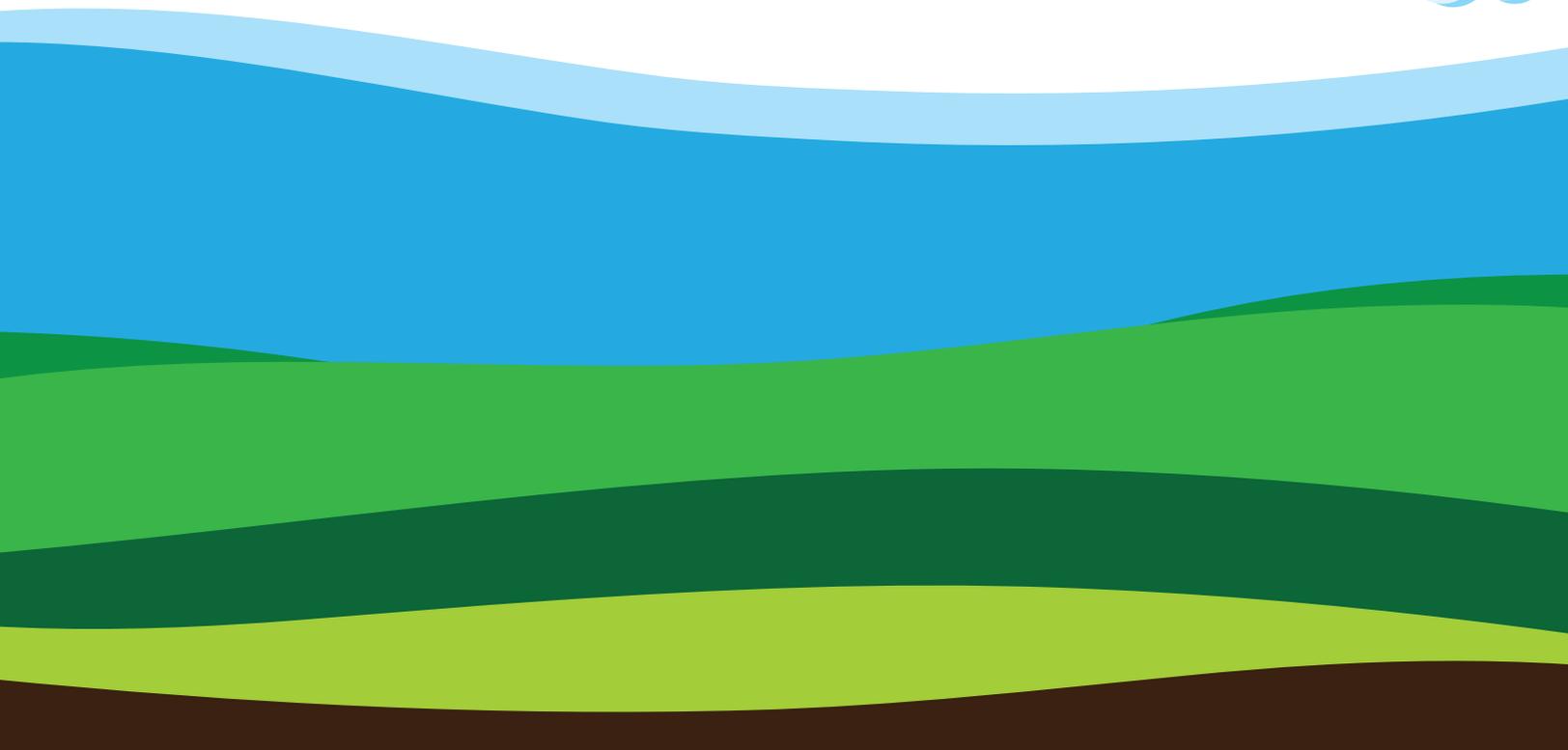


11 Dumb Vending **Mistakes...** **and How to Avoid Them**



www.HealthyVending.com

Dear Future Partner in Vending,

Here are the TOP 11 Mistakes I made in my 8+ years of operating healthy vending machines. I hope you can learn from them so that you don't repeat them! If you read this carefully, I'm confident you can shave years off your vending learning curve.

Here we go...

Mistake #1:

I placed healthy products next to unhealthy products inside of vending machines.

What a failure this was! The unhealthy foods & drinks just cannibalized the healthy ones due to their lower pricing & more recognizable brands. Customers made the irrational, impulse-based purchasing decisions that has become typical when standing in front of a vending machine. Nothing influenced or motivated the average customer to choose the healthier goods. Talk about money down the drain!

Lesson #1:

I refuse to allow h.u.m.a.n. machines to be filled with ANY unhealthy products thus maximizing sales, profits, & positive dietary influence.

Mistake #2:

I allowed my healthy vending machines to blend in with other traditional, junk-food machines

Much like my first mistake, this hindered the ability of my machines to positively impact the dietary decisions of vending customers. This hurt our brand value - our machines were just like others in the mix.

Lesson #2:

I only allow h.u.m.a.n. machines to be placed in exclusive arrangements or 100% healthy atmospheres. The one exception to this is if a location has a high percentage of its population that is very keen on healthy eating and our machine is able to stand out in a big way from the other machines present. Only in this latter case do I sometimes allow for placement next to junk food vendors.

Mistake #3:

I used the same vending machines as everyone else & added no attractive features.

Bad idea! It's one thing to sell junk food out of brown, inanimate machines that are clunky to use & unappealing to approach. But it's an entirely different thing to use these same machines to sell premium healthy foods and beverages while also trying to make a positive, emotional connection with the customer. My machines shouted "Junk that makes you feel bad sold here" instead of "Better your life today!" and, therefore, it didn't matter what products I was selling.

Lesson #3:

I make sure our state-of-the-art, proprietary vending machines include new technologies such as digital video screens and touch-screen LCD displays in order to improve the customer experience, which directly boosts sales & profits.

Mistake #4:

I didn't think my machines' graphics were THAT important.

Most people treat vending machines as a "last resort" dietary option. My machines had the same unattractive appearance as standard machines, and therefore, people had the same negative psychological connection with my machines as they did with others. This hurt sales & brought me no new, high-end, health conscious customers.

Lesson #4:

I conducted numerous customer surveys, emotional connectivity tests, and research studies to produce the most appealing machine graphics, thereby creating a machine that shouts "You want to buy from me!"

Mistake #5:

My machines only offered cash & coin payment capabilities.

This one still makes me cringe! In a world where credit & debit cards are often the only form of payment people keep on them at all times, I was preventing customers from being able to buy items from my machines. This was especially impactful since I was vending premium healthy foods and drinks, which are more expensive than junk food (usually higher than \$1).

Lesson #5:

I place credit card readers in each and every one of our machines to give consumers the most purchasing power, allow for the sale of higher-priced items, and ensure that a sale at a h.u.m.a.n. machine is never lost.

Mistake #6:

I put products in my machines without adequately testing them for consumer acceptance.

This one really hurt! I simply stocked my machines with all of the products I liked & knew, not understanding that different people have different tastes & needs, and thus, different product preferences. By not realizing the great importance of customizing product offerings per location, I ended-up throwing away tons of product that didn't sell and paid a huge opportunity cost along the way because of it.

Lesson #6:

I require that all products are taste-tested, nutritionally-screened, and sales-verified before gaining placement in our machines, and also make sure that every single product mix is customized per location with no exceptions

Mistake #7:

I didn't realize the significance of creating another revenue stream besides product sales.

I just accepted that product sales were the only way I could make money and didn't think about other ways to increase profits and revenues. I was a blind pessimist lacking an innovative mentality!

Lesson #7:

I integrated ad-revenue producing digital video screens on the front of h.u.m.a.n. machines to provide vending operators with extra revenue opportunities without extra work.

Mistake #8:

I didn't REALLY know the ins & outs of the vending industry.

I had no idea how opposed the industry is to progression, innovative technologies, and health promotion. In the beginning, I tried to work completely WITHIN the old-school good ol' boys club that is the traditional vending industry. This simply caused me to waste months of time & thousands of dollars in a stagnant industry that didn't want to budge.

Lesson #8:

I analyzed and improved upon our business from the progressive, innovative, and demanding perspective of a discerning, health-conscious customer, instead of a traditional vending operator. This means our machines attract customers, rather than being the last resort of a passer-by.

Mistake #9:

I tried to have us operate all of our own machines.

To maintain complete control of our operations and maximize profit, I thought it would be a good idea for us to operate machines across the country by ourselves, or more specifically, via people that we hired on an hourly basis. This wreaked-havoc on our supply chain, slowed-down expansion, and created logistical nightmares. We weren't fully opening-up our arms to others, and this minimized, not maximized, profits.

Lesson #9:

I now share our expertise, experience, and innovation with open arms by having our partners operate all h.u.m.a.n. machines, while we help them by managing locations and advertising.

Mistake #10:

I set-up 100% in-house product distribution.

Another BIG time whammy! We stored and shipped-out every product order ourselves, focusing a great deal of effort on the wholesale side of our business. Even though this generated a profit, it meant higher product prices, slower delivery times, and less-than-optimal service for our vending operators. My focus was not where it should have been.

Lesson #10:

I refined our business model so that we now completely outsource our product distribution to 20 warehouses across the country, meaning we make zero profit from product sales in order to ensure that our partner vending operators receive the lowest possible product prices with the fastest delivery time.

Mistake #11:

I allowed partner vending operators to start-off with fewer than five vending machines.

Talk about a bad decision for everyone! Almost always, operating a route of only 1,2, or 3 vending machines requires too much time & hassle for the reciprocal amount of profit that is produced. My partner vending operators could have been making more money in less time, but my planning was off-target.

Lesson #11:

I place our partner vending operators' profits as my top priority, and therefore, strongly encourage operators to start-off with at least five healthy vending machines to maximize their "profit to time" ratio, experience immediate positive cash-flow, and set themselves up for long-term success.

That my friend is the quick scoop. Hope it was helpful!

If you're interested in learning more about launching & growing a wildly successful vending business you'll want to download my free, 35-page "Healthy Vending Handbook," which is the **Ultimate Insider's Guide to Launching & Growing Your Own Profitable Vending Business.**

Just jot down your quick info at:

www.healthyvending.com/contactus/operators

I'll give you full access to the Handbook and I'll also cover the details of the HUMAN Healthy Vending Program, including:

- Multiple Revenue Opportunities
- Premium Location Services
- Hi-Tech Machines w/ Digital Advertising
- Exclusive Territories (going quickly)
- Top-Selling Healthy Products
- Pricing, Costs, and Configurations
- Much more...35 pages of value-packed info

Hurry, though. We have a limited number of territories in North America and they're going fast. Enter your info at: www.healthyvending.com/contactus/operators and I'll email you the HANDBOOK immediately.

Best in Health,



Sean Kelly

Chief Humanist

H.U.M.A.N. Healthy Vending

P.S. Remember, to get the valuable Healthy Vending Handbook go to:

www.healthyvending.com/contactus/operators

