



Apple Pay Messaging at Point-of-Sale Drives 135% Increase in Mobile Payments Usage

November 21, 2016

Results of 6-Month Study by USAT Show Marketers Who Promote Apple Pay See Increase in Mobile Payments and Overall Spend at Point-of-Sale

MALVERN, Pa.--(BUSINESS WIRE)-- [USA Technologies, Inc.](http://www.usatech.com) (NASDAQ:USAT) ("USAT"), a payment technology provider of cashless and mobile transactions in self-serve retail, today announced the results of a six-month study testing targeted point-of-sale advertising of Apple Pay, which is transforming mobile payments with an easy, secure and private way to pay that's fast and convenient. Based on the results showing a steady upward trajectory in mobile payment usage, USAT concluded that smartphone users shown digital advertising at point-of-sale through the ePort Interactive platform are more apt to pull out their iPhone to make a purchase, and even spend more.

This Smart News Release features multimedia. View the full release here: <http://www.businesswire.com/news/home/20161121005359/en/>



Findings by USAT after 24 weeks show targeted, digital advertising on USAT's ePort Interactive platform that highlight Apple Pay availability at point-of-sale resulted in a:

- 36.5% increase in overall sales
- 44.6% increase in total transactions
- 6% increase in total contactless average ticket; 18% at week 20*
- 55.5% increase in revenue through contactless purchases, including Apple Pay; 121% at week 20*
- 135.2% increase in overall mobile payment usage

*Weeks 21-24 historically represent a seasonal dip in visits to vending machines overall.

The study's results suggest targeted advertising can help boost mobile wallet use. The study found that the number of NFC or contactless mobile wallet transactions - triggered when consumers hold their smartphones up to the screens - increased by an astounding 135.2 percent

Displays and call-to-action messages can act as an electronic gateway for consumers to learn about and use the mobile wallets already installed on their phones (Photo: Business Wire)

on machines with targeted messaging.

USAT initially unveiled the first four weeks of data at the National Automatic Merchandising Association's (NAMA) OneShow in Chicago in April 2016, followed by a press release in June of this year. With the release of its latest study, the company has now updated its findings to include six months of data and tracking, bolstering and extending the initial results.

"Based on our study, we believe that when businesses and operators present consumers with the option to pay for items with Apple Pay, the number of mobile payments made and the amount spent, increases," said Maeve McKenna Duska, senior vice president of marketing and sales, USA Technologies. "The data from this study suggest that call-to-action messages underscoring speed, convenience and security of Apple Pay can act as an electronic gateway for consumers to learn about and use the mobile wallets already installed on their phones. Further, unattended markets are continuing to drive Apple Pay usage as it offers consumers a simple and convenient way to pay without cash or a credit card."

The results of the study are clear: when consumers are asked to pay with their phones, they do. But they're also more likely to make a purchase that they otherwise might not, regardless of how they ultimately pay for their items.

Furthermore, the numbers provide evidence that negative seasonality trends may be tempered, and even reversed, by telling consumers they have an option to pay with Apple Pay.

About the Study:

The study measured the impact of targeted digital advertising screens on consumers' use of mobile wallets - primarily Apple Pay - across 35 vending machines located in New York and Louisiana over a six-month period from March to August, 2016. Machines were outfitted with USAT's proprietary ePort® Interactive displays, which process magnetic stripe credit and debit cards, as well as mobile wallet payments. The displays were programmed

with an image of an iPhone and a call for consumers to "Pay with your favorite card using Apple Pay."

The 130 devices in the control group, on the other hand, simply displayed "Ready - Swipe or Tap Now" above the Apple Pay and other contactless payment services logos.

While the initial, four-week results showed both sales and average contactless ticket increases, the extended results provide insight not only into how consumers interact with vending machines displaying interactive messaging, but into broader consumer adoption of consumer wallets. The full results of the study, detailed in a white paper titled "[Targeted Advertising Leads to Surge in Contactless Sales](#)," are available upon request.

Useful Links:

USA Technologies: <https://usatech.com/>

Twitter: https://twitter.com/usa_tech

YouTube: <https://www.youtube.com/user/USATechnologies>

Resource Center: <https://usatech.com/resource-center/the-benefits>

Sales and Partnership Inquiries:

Please contact USA Technologies, Inc. at +1 800.633.0340 or sales@usatech.com.

USA Technologies:

USA Technologies, Inc. is a premier payment technology service provider of integrated cashless and mobile transactions in the self-service retail market. The company also provides a broad line of cashless acceptance technologies including its NFC-ready ePort® G-series, ePort Mobile™ for customers on the go, ePort® Interactive, and QuickConnect, an API Web service for developers. USA Technologies has 78 United States and foreign patents in force; and has agreements with Verizon, Visa, Chase Paymentech and customers such as Compass, AMI Entertainment and others. For more information, please visit the website at www.usatech.com.

Forward-looking Statements:

"Safe Harbor" Statement under the Private Securities Litigation Reform Act of 1995: All statements other than statements of historical fact included in this release, including without limitation the business strategy and the plans and objectives of USAT's management for future operations, are forward-looking statements. When used in this release, words such as "anticipate", "believe", "estimate", "expect", "intend", and similar expressions, as they relate to USAT or its management, identify forward-looking statements. Such forward-looking statements are based on the beliefs of USAT's management, as well as assumptions made by and information currently available to USAT's management. Actual results could differ materially from those contemplated by the forward-looking statements as a result of certain factors, including but not limited to, the ability of USAT to predict future market conditions and consumer behavior; the possibility that all of the expected benefits and efficiencies from digital advertising highlighting Apple Pay and other contactless payment services logos, including increases in overall transactions, revenue and/or average ticket, will not be realized by all vending operators and on all vending machines or within the expected time period; and the ability of USAT to operate without infringing or violating the intellectual property rights of others. Readers are cautioned not to place undue reliance on these forward-looking statements. Any forward-looking statement made by us in this release speaks only as of the date of this release. Unless required by law, USAT does not undertake to release publicly any revisions to these forward-looking statements to reflect future events or circumstances or to reflect the occurrence of unanticipated events.

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