

Girl Scout cookies go high-tech: Smartphone sales

March 25 2011, By MEGHAN BARR , Associated Press



This March 21, 2011 photo shows a GoPayment machine attached to a smartphone used by the members of Girl Scout Troop 70024 as a way to accept credit card payments for cookie sales at Parkside Elementary School in Solon, Ohio. Girl Scout leaders hope that allowing customers to pay with plastic will drive up cookie sales. (AP Photo/Amy Sancetta)

(AP) -- The Girl Scouts were selling their cookies the old-fashioned way, pulling a creaky-wheeled red wagon laden with Thin Mints and Samoas down a suburban street. But the affair took a decidedly 21st-century twist when, with a polite smile, one of the girls pulled out a smartphone and inquired: "Would you like to pay with a credit card?"

The girls are among about 200 troops in northeast Ohio who are changing the way Girl Scouts do business. For the first time, the girls are accepting credit cards using a device called GoPayment, a free credit card reader that clips onto [smart phones](#). Girl Scout leaders hope that allowing customers to pay with plastic will drive up cookie sales in a world where carrying cash is rapidly going the way of dial-up Internet. Keeping pace with changing technology is a priority lately for the historic Girl Scouts, an organization that's preparing to celebrate its 100th anniversary next year.

"Normally I think a lot of customers would love to buy cookies, but they have to walk by the booth because they're not carrying cash," said Marianne Love, director of business services for the Girl Scouts of Northeast Ohio. "I know I never carry cash when I'm out shopping."

If all goes well, Love plans to roll out the device to all 2,700 troops in northeast Ohio. Ten troops in San Diego, Calif., are also testing out the device this month.

"I know there's a lot of interest across the country with other Girl Scout councils," Love said. "So I wouldn't be surprised if you see it everywhere this time next year."

GoPayment is just one of several popular mobile payment devices that took off in 2010, with hundreds of thousands of people signing up to use them, said Todd Ablowitz, president of Double Diamond Group of Centennial, Colo., a consulting company focused on the [mobile payment](#) industry.

"Everyone from delivery drivers to Girl Scouts to baby sitters are swiping cards on their phones to take a payment," Ablowitz said. "I mean, this barely existed before 2010. The numbers are staggering."

The technology has actually existed for years, but it wasn't until San Francisco-based Square, Inc., began offering its card readers for free that the industry really gained momentum, Ablowitz said.

Intuit, the Mountain View, Calif.-based company that manufactures GoPayment, charges a small fee per transaction and offers various pricing plans to customers based on sale volume. GoPayment has been on the market for about two years. Intuit charges the Girl Scouts its lowest rate, at 1.7 percent plus 15 cents per transaction. Most customers pay 2.7 percent per transaction.

"We saw people that wanted to take electronic payments and just didn't have a way to do it," said Chris Hylan, vice-president of Intuit's payments business. "It's been the fastest-growing part of our business."

Sales are already picking up in Ohio, with one troop reporting selling 20 percent more than they did in the same location the previous year, Love said.

"And we also had a customer earlier today say he was taking out cash to buy two boxes, and he ended up buying seven because he was able to use his credit card," she said.

Selling cookies is a massive and lucrative operation for the Girl Scouts, hauling in about \$714 million every year. It started out in 1917 in Muskogee, Okla., when Girl Scouts began baking cookies at home with their mothers, said Michelle Tompkins, spokeswoman for Girl Scouts of the USA. The sale went commercial in 1935.

Nowadays, the actual baking of the cookies is done by commercial bakers, who receive a small portion of the profit. But the rest goes to local troops, who use the money for whatever they like. Some girls decide to pool their funds to travel abroad, while others donate money to

charity.

Transitioning to mobile payments was natural for most of the girls, said Gwen Kolenich, a troop leader in Parma, a Cleveland suburb.

"This is something that makes it easy because we're now in a touch generation," she said. "So being about to offer this kind of payment method and technology to girls is right up their alley."

Cassie Walko, 10, was stationed at an outdoor shopping mall in Oakwood Village on one cold Saturday morning, where most shoppers who stopped by the booth still insisted upon using cash, despite the girls' best efforts to wield their cell phones. Cassie said it was confusing the first time she tried to ring up a customer.

"At first the machine wouldn't work because it was so cold," she said. "But then we figured it out."

Linda Bellomy, who bought 10 boxes and donated them to the troops, said she used her credit card because she never carries cash anymore.

"I gave her my card, they zipped it through, and they actually were able to key in an email address that my receipt goes to," she said.

About 30 miles away in Parma, the Girl Scouts pulling their wagon from door to door encountered a problem that can't be fixed by technology. Most people weren't home to answer the door.

For the geographically challenged, Girl Scouts of the USA is introducing yet another digital innovation: an app for the iPhone called the "USA Cookie Finder," which uses GPS technology to pinpoint the user's location and map out the nearest cookie sales. Users can even post cookie sale locations on Twitter and Facebook.

"When it comes to technology, I think the best way to sum up Girl Scouts is: We are where the girls are," Tompkins said. "We listen to what they say. And when they tell us that they are on Facebook, then we go on Facebook."

©2010 The Associated Press. All rights reserved. This material may not be published, broadcast, rewritten or redistributed.

Citation: Girl Scout cookies go high-tech: Smartphone sales (2011, March 25) retrieved 18 April 2024 from <https://phys.org/news/2011-03-girl-scout-cookies-high-tech-smartphone.html>

This document is subject to copyright. Apart from any fair dealing for the purpose of private study or research, no part may be reproduced without the written permission. The content is provided for information purposes only.