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Moving past cash | *Casinos need to keep pace with currency technology, expert says*

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OKLAHOMA CITY – As cryptocurrency and digital wallets become more widespread, businesses should prepare for the alternatives to traditional cash and cards, a payment-processing executive said Tuesday.

Joseph Feldkamp, vice president of marketing for Symmes Township, Ohio-based Vantiv, said casinos and resorts would be wise to consider their audiences.

“Not just your consumer sweet spot today, because the demographics change,” Feldkamp said. “It’s really important to offer payment alternatives that are enabling the way people want to pay.”

He presented his seminar on the future of payments at the Oklahoma Indian Gaming Association conference at the Cox Convention Center in downtown Oklahoma City.

Along with bitcoin, consumers are moving more toward the use of digital wallets that allow them to pay with a traditional debit or credit card with their phone.

Bitcoin is a digital currency that doesn’t rely on a central manager; the worldwide ledger is maintained in a de-



Joseph Feldkamp, vice president of marketing for Vantiv, addresses an audience at the Oklahoma Indian Gaming Association Conference in Oklahoma City Tuesday. PHOTO BY BRENT FUCHS

centralized peer-to-peer network and verified with high-level, digital cryptography. All bitcoin transactions are saved publicly and permanently online, al-

though user identities can still be hidden.

Another option is to use mobile payment on specific phone apps; the most prevalent of those occur in games that

advertise coins or gems in exchange for real money.

These technologies can be used by businesses to steer consumers to a specific location, such as a restaurant, by offering coupons or other deals. With wireless Internet, Feldkamp said, a casino can know where a customer is at any given time, which allows for specific marketing.

About 95 percent of money flowing through casinos is cash, which Feldkamp said is expensive.

“On the casino floor, their No. 1 cost is cash,” he said. “Acquiring it, holding it, counting it, securing it, transferring it, counting it again, bundling it up, sending it to the bank. The electrification of that eliminates a lot of that risk.”

Feldkamp said he expects the cash-to-digital payment ratio to become more balanced in the next few years.

Cryptocurrency, like bitcoin, is more suited for business-to-business transactions and investments, he said. While some casinos have consolidated their payment methods with reward cards that can be used anywhere at a property, not many people use an actual alternative currency.

“The applicability, at least in the short term, for cryptocurrencies is so limited at the consumer level,” Feldkamp said.