Wendy’s to Accept Mobile Payments

CANDICE CHOI, AP Food Industry Writer

In this Monday, May 6, 2013, file photo shows a Wendy's single with cheese large combo meal at a Wendy's restaurant in Mt. Lebanon, Pa. Wendy's is rolling out a program that lets customers pay using their smartphones, following a similar plans unveiled by Burger King this week. **(AP Photo/Gene J. Puskar, File)**

NEW YORK (AP) — Wendy's is rolling out a program that lets customers pay using their smartphones, following a similar plans unveiled by Burger King [1] last week.

The Wendy's Co. [2], based in Dublin, Ohio, has been testing the mobile payment option over the past year and said the majority of its roughly 5,800 U.S. locations are now ready to accept the payments.

The move reflects a push by fast-food chains to court younger customers by tapping into the attachment they have to their phones.

"If they want to come in and give us business, we want to allow them to pay the way they want to pay," Craig Bahner, chief marketing officer for Wendy's, said in a phone interview.

Burger King Worldwide Inc. also said this week it would introduce a mobile payment program at its U.S. restaurants in April.

McDonald's Corp., meanwhile, has acknowledged the importance of mobile payments and offers but is still in a testing phase after hiring its first chief digital officer this past October.

The company, based in Oak Brook, Ill., is known in the industry for its meticulous planning of any changes. But at a recent investor conference, Chief Financial Officer Pete Bensen noted it would have to do things that were a "little bit unnatural for

McDonald's" to stay on top of digital trends.

"We're going to have to put some things out there that we know are not 100 percent perfect. But if you wait in this space until everything is 100 percent figured out, then you're going to miss the whole opportunity," he said.

McDonald's isn't alone in still figuring out exactly how it wants to approach mobile payments and loyalty programs. Chipotle is still experimenting with the options as well.

In the meantime, Starbucks Corp. is pushing to get more customers to sign up for its app and loyalty program and says 14 percent of all purchases now come from mobile payments. Executives at the coffee chain say customers who sign up for the app tend to visit more often.

"You look at the numbers that Starbucks puts out, and it's pretty amazing," said Brandon Rhoten, vice president of digital at Wendy's.

It's not clear whether the impact Starbucks sees in mobile would translate to fast-food chains, however, since coffee is more of a daily fix. People may not think it's worth downloading an app for a chain they only visit occasionally, especially since there are so many other services offering apps.

But Rhoten said Wendy's saw promising trends in tests, including increased visits. The app doesn't yet offer discounts or a loyalty program, a feature that's considered a way to help cultivate customer loyalty.

To pay with the Wendy's app, customers tap the app to pull up a six-digit number they tell the cashier, rather than holding up their device to a scanner. Burger King also said its app will give customers a four-digit number they tell cashiers to make a payment.

"That's a real benefit when you think about cars going through pickup windows," Bahner said.

The rollout comes as Wendy's works to revamp its image to be more in line with chains like Panera Bread, which charge a little more than traditional fast-food chains like McDonald's and Burger King. That push has included remodeling of its restaurants to have a more inviting feel, as well as the addition of menu items such as the Pretzel Bacon Burger that command higher prices.

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