Vending Technology News

Digital Currency Beverage Machine Demonstrates Instantaneous Transactions

By Elliot Maras

How fast can you buy a soda from a vending machine?

A group of digital currency enthusiasts have developed a beverage vending machine that accepts digital currency. The machine, called Dash N' Drink, can secure a transaction almost instantaneously. The customer can scan a QR code on the machine's screen to pay for a product and activate a vend.

The machine's main purpose is to demonstrate instant send technology developed by Dash, a digital currency. Dash is the seventh largest digital currency with a market capitalization of more than $46 million in early July. Bitcoin is the largest digital currency with a market capitalization of more than $10 billion.

Dash enthusiasts believe the instant transaction and confirmation feature holds great potential for point-of-sale retailers.

Dan Handler, a Dash enthusiast, will be taking the machine to the d10e conference in San Francisco, Calif. July 19 to 20 where he hopes to generate more interest in the instant transaction and confirmation capabilities to the tech-savvy audience.

"The Dash N' Drink makes this real, right in front of your eyes," Handler said. "You scan the QR code on the screen and a can of soda pops out. Instantly and safely. It's no longer a hypothetical discussion. The next logical questions are" 'how many retail stores are there within one mile of this very spot?' and 'how many retail merchants worldwide could take advantage of this tech?'

"Dash N' Drink" was created by Dustin Eward and Jeremy Maus, two long-time Dash users.

InstantSend uses Dash's second-tier masternode network to secure a transaction. The network-wide locking prevents double-spend attempts. The transaction cannot be reversed.

According to Handler, the Dash masternode network detects transactions marked "InstantSend."

The network issues a lock on the input to the transaction and broadcasts a "confirmed tx" message to the network. This input cannot be used for any other transaction.

"The reality is that within two seconds, a transaction can be considered final," Handler said. "What this means to a vendor is that for the first time, crypto (digital currency) can compete with the credit card network."
The technology allows Dash to compete with credit cards for point-of-sale transactions without relying on a centralized authority. Dash enthusiasts believe the technology will provide merchants an advantage over other payment methods as it does not rely on a third-party processor to authorize transactions.

Handler added, "The retail vendor can give physical merchandise to the buyer and be assured that he will be paid. This technology is coded into the protocol, not an add-on by a third party."

InstantSend also provides the purchaser the benefit of having transactions confirmed in a few seconds as opposed to other point-of-sale systems.

Bitcoin and other cryptocurrency transactions, for instance, can require a user to wait for confirmations, a reported average of 10 minutes for a single confirmation, before the receiver can consider the transaction valid. The wait can be even lengthier when the system is backlogged with activity.

"Who wants to wait minutes for a drink from a vending machine?" Handler asks.