

# Counting coins, still necessary in retail

Counting coins by hand is time consuming, the margin for error is big, health issues arise from the general dirt associated with coins and transport is difficult and expensive due to their weight. For the smaller retailer however, working with coins is necessary, notwithstanding the time wasted counting and sorting coins and their potential theft. The only solution for these businesses is to purchase a coin counter.



[Image: Graeme Weatherston / FreeDigitalPhotos.net](#)

These come in diverse forms with various functions and it is important for everything to be considered to ensure that the right decision is made. The question any business owner should ask is, "What are my needs and which choice would best serve these needs"?

"The entry level counter is the coin stacker that will sort and count the coins with great accuracy," says Wanda van Vuuren from Global Payment Technologies, a Bidvest company. "A scale can also be used, but this is not as accurate. A coin counter will assist an organisation with security aspects as it will pick up fake coins and money will be on the premises for shorter time periods."

To choose the correct counter, the criteria are - volumes of coins, which coins, whether coins should be rolled or bagged and whether it is necessary to sort the coins, as not all banks will accept mixed coins.

"It is important to ask the vendor to provide a machine on a trial period before making a purchase decision. There are many different types of coin counters on the market, as well as some sorters and self-service systems. It is easy to purchase a machine that does not suit the needs of the business. Of course cash centres are another option. They fetch the coins, do the packing and processing and supply the coins to the banks."

## Removing coins hits consumers

Removing a specific coin from circulation can have an impact on inflation, especially if the prices of products are rounded up to the nearest 10 cents due to the five-cent coin disappearing, for example. This will have an adverse effect on the pockets of consumers. Rounding down is an option, but that could affect the profitability of the wholesaler or retailer, which in turn will also have an effect on the economy. Sound business practice will determine that such a loss will have to be recouped from other areas, such as salary increases. When a five-cent difference in a product is considered it seems negligible, but when hundreds of thousands of products are moved, each with a five-cent price difference, the total effect on the economy could run into billions. There is therefore a case for keeping coins in circulation and, with the correct technology, the difficulties in handling and sorting these coins can be overcome.

Coins also do not stay in circulation for long. At present, coins to the value of R75 billion have been minted, but there are only R4 billion worth of coins in circulation. It is therefore necessary to improve the recycling of coins. The disappearance of smaller denomination coins is not just a South African phenomenon, as Canada has also just discontinued the penny coin. The Canadian finance minister, Jim Flaherty, stated that the penny coin is nothing but a nuisance to business.

As much as people hate having small change, the reality is that it is still a big part of life and coin counters can improve the retailer's burden.

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