

5 key benefits of automated cash management for retailers

"An automated cash management solution with instant access to your current cash and the ability to borrow opportunity capital within a few hours isn't just a nice to have, but an essential in today's fast-moving retail environment."



Source: © Yulia Grigoryeva [123rf](#) Automated cash management reduces costs to retailers by 40% and supports customer choice

So says Mark Templemore-Walters, operations director at Cash Connect, a provider of cash management and payment solutions and a member of the Connect Group of fintech companies, with automated cash management reducing costs to retailers by 40% and supports customer choice.

He says that cash payments enable financial inclusion by allowing for immediate participation in the economy by all, including 11 million under- and unbanked citizens.

"Despite the growth of cashless payments over the past few years, and the adoption of online consumer buying behaviour post-pandemic, cash still plays an essential part in our economy, with more than 50% of consumer transactions in South Africa completed with notes and coins," says Templemore-Walters.

"It's a low-cost way for consumers to pay and for merchants to accept payments." T

emplemore-Walters says that cash remains popular because it's a trusted medium for direct person-to-person and person-

to-business payments. People can use cash without involving a third party and incurring the related transaction costs. They can pay with cash when there's load shedding, there's no internet connectivity, or the card terminal is down.



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Cash is key to financial inclusion

"Cash allows anyone to immediately participate in the economy, including those in rural areas or foreign nationals without South African ID books. In this context, cash is the ultimate instrument facilitating immediate financial inclusion," says Templemore-Walters.

"It also respects the fundamental right to privacy." In this context, retailers should not restrict customer choice or their own ability to attract business by making it difficult to pay with cash.

"While digital payments and cards are the ideal option for some customers and transactions, organisations in the financial landscape should be thinking of cards and digital as payment instruments that coexist with cash," adds Templemore-Walters.

"Consumers and merchants will use the payment options that best meet their needs for a given transaction.

"The financial services sector shouldn't try to force consumers and merchants down a particular path by removing cash.

"And retailers should give customers a choice, allowing them to pay in the way that meets their needs in terms of speed, convenience, cost, and security.

"By accommodating all forms of payment, merchants are strongly placed to maximise their sales and grow their customer base."

Eliminate back-office costs and gain access to fintech services

Templemore-Walters says that automated cash management solutions enable merchants to handle cash in a cost-efficient and low-risk manner. Such solutions help retailers reduce back-office costs associated with the counting and recounting of cash, managing, and depositing cash, shrinkage and shortages, and higher cash deposit or cash in transit fees.

"A world-class automated cash management system streamlines the management of cash, saving time and reducing cash costs by up to 40% compared to running manual processes.

"It's also a gateway to a range of fintech plug-in tools and value-added services that enable merchants to grow their businesses, boost profits, and increase business efficiency," he adds.



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Shaun Holley and Rory Bosman 24 May 2023



Key benefits of automated cash management

Some of the key benefits of an automated cash management solution with value-added fintech services include:

1. Quick access to cash flow

With a leading automated cash management system, the merchant's cash will reflect in their bank account on the same day that the CIT company collects it from their premises. Some solutions offer Instant Access to the cash in the vault with a click of a button, whilst the cash is still in the vault and not yet collected by CIT.

2. Fintech business funding solutions to stock-up, renovate, or enhance instore shopping experiences

Leading cash management firms will offer merchants quick access to opportunity capital up to R5m in just 24 hours. The business loan can be repaid in small daily instalments. The daily instalment comes straight from the cash in the cash vault (or bank account), so that merchants do not feel the impact on their cash flow.

3. Funds guaranteed in your bank account

The merchant's cash risks are covered from the moment the cash goes into the vault, while in transit, and until it reflects in their bank account.

4. Protect your cash, staff, and customers

A robust cash vault, or ATM Recycler, built to SABS Category 4 standards, ensures that retailers have a safer trading environment.

5. No need to keep cash on premises for cash on deliveries (COD)

Merchants can pay for deliveries from the cash in the cash vault using an app. It's seamless, convenient, and safe.

"Time is money, so getting instant access to cash with a click of button is a non-negotiable for when you need emergency funds for repairs or opportunistic purchases," says Templemore-Walters.

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