



Retailers Going Cashless: Not All Consumers Are Happy

There have been numerous articles and blogs written about countries that are moving towards a 'cashless society.' This is a society where cash – paper and coin currency – isn't used for financial transactions. With the growth in alternative payment methods, it's easy to see why this has become more than a trendy topic in certain parts of the world. With payment options that include credit cards and digital payments, a Pew Research Center survey established that around [four out of ten Americans](#) don't use cash for any of their weekly payments. From 29% in 2018 to 41% in 2022, it's a significant rise in alternative payment methods.

The shift to cashless payments hasn't always resulted in happy customers. A significant part of the US population still prefers using cold hard cash for their transactions. This is particularly true for America's unbanked and underbanked population, which currently represents [22% of the adults](#) in the U.S.

As businesses stand at the crossroads of technology and tradition, many merchants are in favor of cashless payments. However, those who have tried to go entirely cashless were surprised to experience [backlash from customers](#) and even the government.

As a modern business that needs to keep up with the times, what must merchants consider when it comes to cashless payments? What is the ideal middle ground between conventional payments and modern remittances?

We'll answer this and more in the next sections.

Unbanked Consumers Still Prefer Cash

Many retailers that have gone cashless have stated the reason for the change is increased security, convenience, and faster transaction times. What they may not have realized, however, is that this policy change has placed unbanked consumers at a disadvantage. Without access to a bank account or credit card, they cannot participate in the digital economy — a development that many consider [discriminatory](#). This is the main reason why many cities, such as [New York](#) and [San Francisco](#), have banned cashless businesses.

Additionally, retailers risk missing out on profits by refusing to accept cash payments.

To solve this issue, the government can promote financial inclusion programs that help unbanked consumers access the banking system.

Private companies can also develop new payment methods that are accessible to everyone, whether they have a bank account or not.

In the meantime, retailers would be best served by investing in technology that not only enables them to accept cash as a form of payment, but also provides enhanced security and automation to their cash-handling procedures. Two such technologies are smart safes and cash recyclers.

Automation Is the Answer

[Smart safes](#) and [cash recyclers](#) play a prominent role in a retailer's automation strategy. These are proven, purpose-built systems that count, sort, and dispense cash. They can be used to secure a store's cash, make change, and dispense bills and coins.

There are many benefits to using a cash automation system for unbanked individuals and retail stores. They help the unbanked by allowing them to pay for the products and services they need. They also help retail stores by reducing the time, labor, and hassle that comes with manually counting and managing cash, all while increasing the store's security profile.

Overall, smart safes and cash recyclers are a great middle ground between the status quo and a fully digital retail environment. They provide a secure way to store cash, with the efficiency and convenience retailers expect from an automated solution.

At the same time, the usage of a smart safe or cash recycler help retailers avoid alienating customers because they provide flexible services that meet everyone's needs, whether they prefer to pay with cash, a card, or a mobile device.

Many Customers Still Prefer Cash

As the retail industry rapidly changes, companies are looking for new ways to stay ahead of the curve. The latest trend for retailers to remain competitive is [automation](#), but it can mean leaving some customers behind. Handling cash doesn't have to be a hindrance. A smart safe or cash recycler can help a retailer automate cash handling operations at scale, while allowing them to remain inclusive to their customer base.

With so many customers expressing their unhappiness with retailers who have adopted cashless payment methods, retailers must find ways to provide flexible payment solutions that meet customer needs while generating consistent revenue.

Because cashless commerce tends to exclude the unbanked, underbanked, and those who are less tech-savvy, it isn't yet the time to adopt purely cashless commerce. The best solution is to leverage technology that incorporates inclusivity, convenience, security, accessibility, and efficiency for all consumers.