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Americans still count the penny

We have a love/hate relationship with pennies. While they accumulate in drawers, jars, glove compartments and doors, pockets, suit jackets, and other nooks, they only have power in numbers. Yesterday as I eyed a tray of pennies at the convenience store, I pondered... it looks like we hate pennies.

Marketing is getting the right product or service to the right people, at the right time, at the right place, at the right price with the right communications and promotion. One way to do this is with the Nine P's ©. Products/Services, People, Price, Promotion, Price, Place/Distribution, Partners, Planning, Passion. Where does the penny fit in? Price, along with Passion or lack of it.

You can't buy much with one penny. Does price affect your purchase if it's 99 cents versus a buck? Probably not. What does matter is the product selection at "99 cents" stores or "Dollar and More", or "98 or 97 cent" stores or "Mas or Menos" stores. I'm sure the people running 99 cents stores would argue that they have better product selection than their competitors.

It's not always about price. Some people have passion in using up pennies, but that doesn't affect Price, it affects service. It has been reported that the collection of a penny or two add 2 to 2 ½ seconds to each transaction.

From everything I read, while we don't like to use them, Americans want to keep the penny. Coinstar, a Washington company that puts coin-counting machines in supermarkets, found in their research that three out of four people will stop to pick up a penny. I only stop if it's heads-up.

Do we need pennies? The copper-coated coins cost more than one cent each to make. Bills have been introduced in Congress to retire the coin, but they never gain traction. The bottom line may be that when it comes to the penny, Americans don't want change. Indeed, the United States did get rid of the half-cent coin in 1857. Will the penny be next?