

Banking Automation **BULLETIN**



Deposit automation helps boost maturing ATM market

Challenges and opportunities in self-service banking

Dramatic rise in ATM fraud losses driven by international card skimming

UK's Faster Payments Service – Faster payments, slowly

Self-service banking – Are bank tellers redundant?

Country profile: Czech Republic



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Turkey stands out from the crowd

The findings of RBR's latest western European ATM survey (see lead story) clearly show one country that stands out. Turkey's ATM installed base grew by 13.5% in 2007 – the only country in the region to display double digit growth. This annual growth rate is nearly back to where it was in the late 1990s – when, between 1995 and 2000, the Turkish ATM market grew between 15% and 27% every year.

There are several explanations for this growth, some economic and some ATM specific. In terms of the former, following the economic crisis in the early 1990s, Turkey has enjoyed several years of solid economic development, during which time inflation has largely been brought under control. This combined with restructuring of the retail banking market has attracted foreign investment into the retail banking arena, and resulted in a general increase in expenditure on banking automation.

More specifically relating to ATMs, Turkey still has only 264 ATMs per million people, well below the western European average of 770. Banks are continuing to exploit this potential, and more recently, IADs have been trying to get in on the act (see *Bulletin* issue 251).

Another area where Turkey stands out is its remarkably fast adoption of automated deposit ATMs. Two years ago there were only 1,600 such terminals in the country, but by end-2007 this had increased to 6,000 – representing nearly one third of the ATM installed base. Overall penetration of automated deposit stands at only 7% in the region as a whole – the Turkish example sets a higher benchmark than many people were expecting.

All this raises the question of whether this expansion in Turkey's ATM market will continue. The low density would certainly suggest so, average transaction volumes are keeping pace with the installed base growth and both banks and IADs have the appetite to maintain the momentum. Turkey will continue to stand out from the crowd for the foreseeable future.

Dominic Hirsch, Editor

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