

London, 15th March 2017

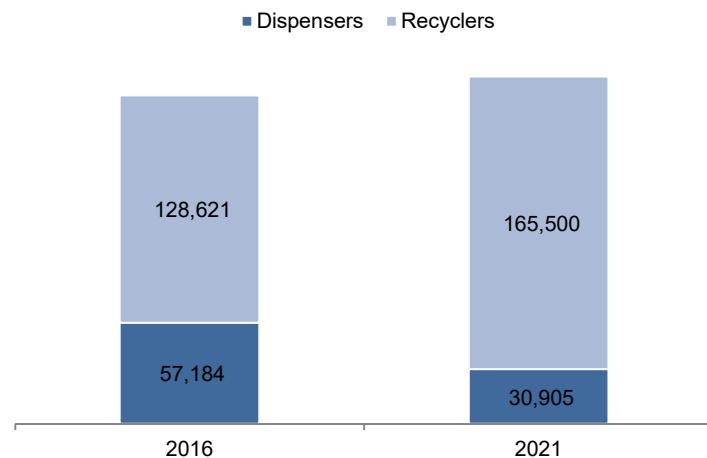
Teller automation remains core to branch transformation projects

Teller assist units reduce the time taken to accurately handle cash transactions, improving efficiency and freeing staff to take on alternative tasks.

Banks continue to use teller automation units to improve branch efficiency

RBR's new study, *Teller Automation and Branch Transformation 2017*, has found that the number of teller assist units (TAUs) deployed across 26 key markets reached 186,500 at the end of 2016 – despite increased cost pressures and falling branch numbers in many established markets, this still represented a modest increase on the previous year. Furthermore, RBR forecasts the number of TAUs deployed globally will continue to rise for at least the next five years.

Number of teller assist units by type, 2016 and 2021



Source: Teller Automation and Branch Transformation 2017 (RBR)

TAUs significantly reduce the time needed for transactions and end-of-day reconciliation, and free up branch staff to build relationships with customers. Bank staff increasingly take on additional roles, for instance the cross-selling of banking products and services. RBR's research even shows that some banks have begun to favour staff with prior sales experience when recruiting for their branch-based positions. Despite these benefits, there are still many institutions who have not yet taken advantage of TAU technology.

TAUs are concentrated in a small number of markets

60% of the world's TAUs are found in just three countries: the USA, Spain and Italy. The USA is the largest market overall, with a quarter of all TAUs. RBR forecasts that the number of TAUs here will continue to increase – in particular amongst smaller banks, some of which are only beginning to use the technology. There will be a more modest rise in Italy, where increased deployment is partly offset by branch network rationalisation, while in Spain, where branch numbers have been declining, the number of TAUs will also continue to fall.

With many banks yet to install TAUs in large numbers, the potential for future growth remains, particularly in countries where banks are transforming their branches to increase efficiency, for example Mexico and South Africa. Deployment of TAUs is still in its infancy in China, with many banks approaching the end of their pilots. The market here will show strong growth in the coming years, although overall deployment of TAUs will remain low as banks focus on moving transactions to self-service channels.

Recyclers save teller time and reduce CIT costs

More than half of all TAUs deployed in the USA are used for dispensing only, but this is due to historical deployment, and here, as in almost all markets, banks now have a clear preference for cash-recycling TAUs. Recyclers further enhance branch efficiency by saving teller time and reducing CIT costs and their share of the total has been rising for a number of years. This trend will continue and by 2021, recyclers will account for 84% of all TAUs.



PRESS RELEASE

Daniel Dawson, who led RBR's study, commented: "*Banks continue to value the importance of teller assist units when formulating their branch transformation strategies, as such machines, particularly recyclers, prove to be hugely successful in improving overall efficiency when dealing with cash handling in branches*".

Notes to editors

These figures and insights are based on RBR's study, *Teller Automation and Branch Transformation 2017*. For more information about this report or to discuss the findings in more detail please email Daniel Dawson (daniel@rbrlondon.com) or call +44 20 8831 7310.

RBR is a strategic research and consulting firm with three decades of experience in banking and retail automation, cards and payments. It assists its clients by providing independent advice and intelligence through published reports, consulting, newsletters and events.

The information and data within this press release are the copyright of RBR, and may only be quoted with appropriate attribution to RBR. The information is provided free of charge and may not be resold.