

Banking Automation **BULLETIN**



Branches seek relevance amidst rise of digital channels

Chinese payment cards exceed 6 billion

Criminals change tactics as South African fraud levels drop

High ATM usage in MEA indicates ample room for market growth

Financial inclusion efforts in Thailand look promising

Country profile: Switzerland

Banking Automation

BULLETIN



Branch transformation gathering pace

Until fairly recently, bank branches used to be almost sacred, especially in Europe. Branches were rarely shut down, meaning many locations remained unchanged for decades. Some banks even made

commitments not to cut their branches, reinforcing the status quo.

With remarkable speed, that has all changed; banks have retracted such promises and most developed economies have seen falls in branch numbers. The primary driver of this decline has been decreasing footfall, or more specifically the difficulty in justifying the cost of running branches if customers are visiting less often.

Despite the financial pressures, banks remain reluctant to close branches if this can be avoided. Branches are still critical for building brands and recruiting and serving customers – those that still regularly use branches and those that visit less frequently.

There is an alternative to closing branches, and this is where branch transformation fits in. If banks can make branches more attractive and/or more efficient, then the business case for maintaining individual branches is improved.

Transforming branches can mean many different things, which is why no two branch transformation projects are the same. Last month RBR held its annual *Branch Transformation 2016* conference in London (see page 2) – the record attendance highlights the ongoing interest in this topic, and the case studies on the speaker agenda emphasised the wide range of approaches being taken.

There are a number of common elements: branches themselves are more open-plan, processes are more automated (increasingly paperless), technology and automation play an ever greater role and transaction-oriented employees are being retrained or replaced with staff in more value-adding sales/consultation roles. There are differences too – some banks are replacing most of their tellers with multi-function assisted self-service devices that replicate the majority of teller transactions, while others are automating a smaller number of traditional tellers and migrating as many customers as possible to traditional in-branch ATMs.

One area that is often mentioned by banks, but where further progress is needed, is how banks can better use their branches to generate increased value for customers; for example, are banks fully exploiting their branches to sell a full range of products?

A year ago, many branch transformation projects were just pilots, and in just 12 months the number of projects that are now rolling out is impressive. Not every bank has decided its branch strategy however, and existing initiatives will need to be refined along the way, so while branch transformation has gathered pace, it still has several years to run.

Dominic Hirsch, Editor

2 BRANCH TRANSFORMATION

Branches seek relevance amidst rise of digital channels

4 SOUTH AFRICAN CARD FRAUD

Criminals change tactics as South African fraud levels drop

6 CHINESE CARDS

Chinese payment cards exceed 6 billion in 2016

7 GLOBAL ATMS

High usage in MEA indicates ample room for ATM growth

9 UK BANKING

'Interesting times': A blessing or a curse for UK banks?

10 EGYPTIAN PAYMENTS

Egyptians starting to embrace electronic payments

11 THAI BANKING

Financial inclusion efforts in Thailand look promising

12 ATMS IN POLAND

IAD share of Polish ATM installed base is rising rapidly

14 SELF-SERVICE BANKING ASIA 2017

Self-Service Banking Asia spotlights the Philippines

15 NEWS BULLETIN

Banking, ATM and payments news

16 COUNTRY PROFILE

ATM and cards intelligence on Switzerland

20 CONFERENCE DIARY

Upcoming industry events from around the world

Editor Dominic Hirsch

Managing Editor Morten Jorgensen

Assistant Editor Tomomi Kimura

Contributors Emily Beeby, Sam Blackwell, Tom Ikonen, Joanne Kumire, Thomas Madden, Jack Neale, Sisi Wang

Subscriptions Manager Abigail Milne

Advertising Managers Amanda Hardy, Felix Kronabetter

For all editorial and advertising enquiries:

Telephone: +44 20 8831 7300 Fax: +44 20 8831 7301

Email: bulletin@rbrlondon.com

Advertisers in this issue:

Diebold Nixdorf www.DieboldNixdorf.com

Giesecke & Devrient www.gi-de.com

Spinnaker www.spinnaker.co.uk

Annual subscription (12 issues):

Printed and electronic (1-5 users) £1,500

Printed and electronic (6+ users) £3,000

Follow us: [in](https://www.linkedin.com/company/rbrlondon) [tw](https://twitter.com/RBRLondon) @RBRLondon

ISSN 1748-5304

RBR

393 Richmond Road

London TW1 2EF, United Kingdom

Banking Automation **BULLETIN**

Regular topics include:

- ATM hardware and software
- Biometrics
- Branch transformation
- Cash usage and management
- Contactless and mobile payments
- Deposit and recycling
- EMV and smart cards
- Fintech innovation
- Interchange and merchant fees
- ISO/IAD activity
- Merchant acquiring and EFTPOS
- Non-cash payments
- Omni-channel integration
- Outsourcing and managed services
- Payment card issuance and processing
- Payment systems
- Regulatory developments
- Security and fraud
- Self-service banking
- Teller automation



A unique source of news and analysis of key issues in banking automation, cards and payments

- Independent and authoritative insights from industry experts
- Detailed country profiles including proprietary ATM and cards market data in every issue
- Exclusive extracts from RBR's industry-leading market research reports
- Comprehensive industry conference diary
- Read by senior executives in over 100 countries worldwide

Published by RBR since 1979

The Bulletin keeps you on top of your industry agenda – can you afford not to subscribe?

For more information about subscribing or advertising please visit www.rbrlondon.com/bulletin

ORDER FORM: Banking Automation Bulletin

■ Please select one of the following subscription offers:

	1 year (12 issues)	2 years (24 issues) – save 15%	3 years (36 issues) – save 20%
Standard licence (1-5 users)*	<input type="checkbox"/> £1500	<input type="checkbox"/> £2550	<input type="checkbox"/> £3600
Multi-user licence (6+ users + intranet)*	<input type="checkbox"/> £3000	<input type="checkbox"/> £5100	<input type="checkbox"/> £7200

* Includes digital edition plus one printed copy

Please send me information about advertising and advertorial opportunities

■ Payment method:

Please invoice me or By payment card Amex Diners Club Discover JCB Mastercard Visa

Card number Expires Total amount payable

Cardholder name Cardholder signature

■ Your details:

Title (Mr, Ms, Dr) First name Surname
Position/Department Company
Address Postcode Country
Tel Email VAT (TVA) number

Please complete and return this form to: **RBR** 393 Richmond Road, London TW1 2EF, UK

Tel: +44 20 8831 7300 Fax: +44 20 8831 7301 subscriptions@rbrlondon.com www.rbrlondon.com/bulletin