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Retailers invest in technology to improve in-store cash management

RBR's new study reveals 250,000 installations of cash automation units across 13 countries

Vast majority of units are acceptors, but Walmart rolls out recycling

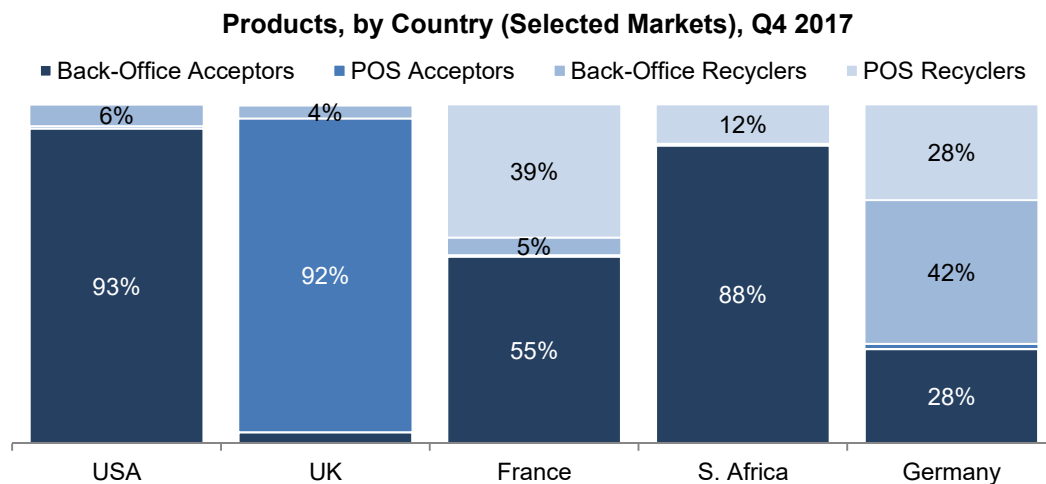
Retail Cash Automation 2018, a brand new study by strategic research and consulting firm RBR, reveals that retailers are investing in technology which counts, validates and stores banknotes in their stores. These are most commonly devices designed to handle cash in retailers' back/front offices, although some are point of sale (POS) units located at individual checkouts.

The report, which is the first international study into this growing market, confirms that back-office note acceptors, also known as smart safes, are seen as an important tool to manage cash, particularly in hospitality chains and fuel station convenience stores. Although accepting-only machines represent 91% of back-office terminals, global big box giant Walmart began installing recyclers in its stores in 2016.

US retailers opt for smart safes amid security concerns

The USA is by far the largest market for cash automation technology in retailers. The smart safe market here is well-advanced, with 140,000 installations, accounting for 94% of the global total. For many US retailers, the primary reason for installing them is security; this is also an important driver in markets such as Brazil and South Africa.

In Europe, RBR uncovers a much more mixed picture, with a far higher proportion of POS devices installed, particularly in markets such as Italy, Spain and the UK. The main users of such technology are supermarket chains, with the concept of a closed cash cycle, involving recycling terminals at both the point of sale and the back office, more established in Europe than in other parts of the world.



Source: Retail Cash Automation 2018 (RBR)

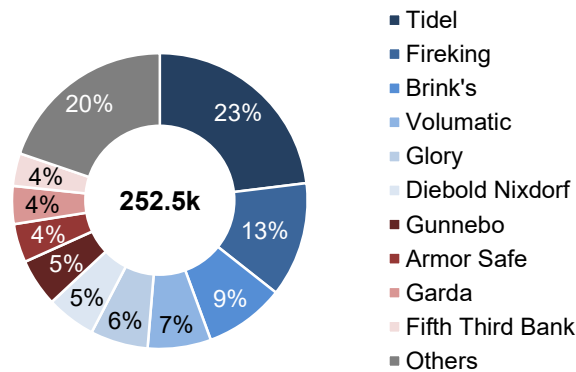
Tidel leads the smart safe market, while Glory has the largest share of recyclers

RBR's study shows that the cash automation market is comprised of a number of global and local players, including both manufacturers of smart safes and recyclers, as well as CIT companies and banks which re-badge these units and offer them to retailers as part of a wider service.

Based on badge on the unit, US manufacturer Tidel is the largest vendor in the world, accounting for 23% of installations, the vast majority of which are in its home market. Fellow US smart safe vendor Fireking is the second largest, followed by CIT firm Brink's. UK manufacturer Volumatic, which makes POS acceptors, is fourth, with installations mainly in its home market.

Glory is the largest vendor for recyclers, both in the back office and at the point of sale, and ranks fifth overall in the cash automation market. Other major international vendors include America's Diebold Nixdorf and Sweden's Gunnebo.

Vendor Shares of Banknote Acceptors and Recyclers, Q4 2017



Source: Retail Cash Automation 2018 (RBR)

Cash-heavy supermarket chains invest in automation

Many of the largest supermarket chains, including France's Carrefour and Edeka from Germany, are users of cash management technology, as these types of retailers deal with a high volume of cash transactions. Speciality retailers such as fashion brands typically deal with less cash and therefore have a reduced need for automation of this process.

Despite the increasing prominence of other methods, particularly in grocery and hospitality segments, cash is likely to account for a significant share of retail payments in the future. Alan Burt who led the research team noted: "Some small and medium sized businesses will continue handling cash manually, but the demand for technology to automate this process will rise as retailers look for the most efficient and secure way of dealing with cash in their stores".

Notes to editors

These figures and insights are based on RBR's study *Retail Cash Automation 2018*. This in-depth international study provides intelligence on the growing market for retail cash automation technologies across 13 country markets in the Americas, EMEA and Asia-Pacific. For more information about this report or to discuss the findings in more detail please email Alan Burt (alan.burt@rbrlondon.com) or call +44 20 8831 7322.

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.

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