It's time for ATMs to catch-up

By Anton Godfrey, Senior Product Manager, Renovite Technologies

The ATM industry and businesses intrinsically linked to it are all too aware that the infrastructure underpinning ATMs was largely designed, built and programmed last century. Unlike newer digital channels, this legacy infrastructure simply cannot offer the type of innovative functionality required to bring real and relevant change to the industry.

Often, organisations are locked into long-standing vendor relationships that tie hardware and software together, both for the ATM and transaction switch. This lock-in is stifling the development and deployment of innovative services and in many cases comes with a large cost just to maintain and operate the system.

Legacy payment infrastructure is not scalable, portable or resilient enough to cope with today's demands, such as new types of accounts or payment tokens. In short, legacy technology cannot be effectively configured to reliably work in conjunction with innovative new technology, much of which operate in a cloud-computing environment.

The importance of going cloud-native

Typically, when a vendor offers 'cloud'-based services in the payments industry, it means they are offering a monolithic application in a traditional hosted managed service, which cannot offer the full benefits of true cloud technology. Adopting *true* cloud-native payment technology is central to driving change, enabling innovation and facilitating new consumer services. By doing this, organisations will be able to offer a broader selection of financial services to the public and, importantly, mitigate the potential for disruption during the transformation process.

Cloud-native technology offers a new software deployment model which takes advantage of all the benefits of cloud computing:

- Speed – Faster development and deployment of new features compared to legacy monoliths.

- Elastic scalability – Lower costs by only paying for what you need, when you need it. Traditional monolithic applications must be sized for their peak and the headroom remains redundant until it is needed. Cloud hosting converts upfront capital expenditure into lower recurring operational expenditure.

- Supplier independence – cloud-native applications are entirely portable and can be migrated easily to alternative providers.

- Proof of concept environments – These can be spun up or down rapidly if the business wants to test something new.

- Test environments – Rather than bear the continued cost of a permanent test/development/certification environment, a cloud-based one can be spun up and down as required.

- Disaster recovery environments – These can be significantly scaled down, rather than being a 1:1 of the production environment. If the DR system is used, the system will elastically scale up.

- Rolling updates and backouts – New components/changes can be cycled into production, and previous versions of components can be cycled back into production without an outage.

To achieve this, organisations need a trusted technology supplier that utilises state of the art frameworks, agile methodologies and a 'Continuous Integration: Continuous Delivery' pipeline for end-to-end deployment and lifecycle management, enabling them to help customers scale and build solutions to improve and complement their ATM offering.

The other absolutely critical component for pulling the ATM industry into the 21st century is the mindset of decision makers – they have to be prepared to think beyond what is in front of them. Innovation is a way of working, it is not a procurement order. Without this, they are destined to play an eternal and expensive game of catch-up.

Cloud-native technology doesn't constrain businesses or inhibit progress; ageing infrastructure and legacy thinking do. Renovite is leading the charge when it comes to enabling transformation and enriching the customer experience using cloud-native technology, freeing deployers to innovate and deliver solutions appropriate to today's disruptive markets and ultimately retaining customers while attracting new ones. ■

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Transforming payments