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Popular with both banks and customers, smart ATM deposit continues to grow

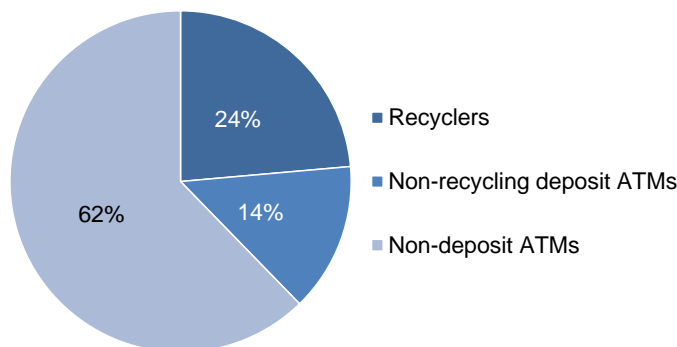
1.2 million ATMs worldwide now offer automated note deposit, as banks look to reduce costs and improve customer service

Banks are turning to automated deposit to reduce the cost of branch operations

RBR's report, *Global ATM Market and Forecasts to 2023*, reveals that the number of ATMs which allow customers to make real-time cash deposits is continuing to increase. At the end of 2017, automated note deposit (also known as "smart" or "intelligent" deposit) was available at 1.2 million ATMs worldwide, up by 10% compared to a year earlier. The share of ATMs offering this service is also increasing, from 34% to 38% over the period. This includes both recyclers – machines which redispense the same notes that have been deposited – and less complex devices in which the deposit and dispense modules are completely separate.

Automated deposit is particularly popular among banks that are transforming their branches in a bid to enhance profitability. Deposit ATMs enable banks to reduce costs by encouraging customers to perform everyday cash transactions at self-service terminals rather than over the counter. They also allow deposits with immediate account crediting outside traditional banking hours, a service which is increasingly sought by both retail and business customers.

Share of ATMs by deposit functionality, 2017



Source: *Global ATM Market and Forecasts to 2023 (RBR)*

Automated deposit is most widespread in Asia-Pacific, while Latin America lags behind

RBR's report shows that automated deposit is most commonly used in Asia-Pacific, where it is available at more than half of all of the region's ATMs, and it is particularly widespread in China, Japan and South Korea. Western European banks are also keen on automated deposit – a third of all ATMs in the region offer the facility.

By contrast, automated deposit terminals make up less than 30% of all ATMs in other regions, according to the research. The share of such ATMs in Latin America is particularly low because many banks in Brazil, the region's largest market, still offer envelope and not automated deposit. This is starting to change, although still only 1% of Brazilian ATMs accept automated note deposits.

Recycling allows banks to reduce cash transportation costs

Deployers of automated deposit ATMs are increasingly installing recyclers because of the added efficiency they provide, reducing the frequency with which cash-in-transit companies are needed to refill ATMs. At the end of 2017, almost two thirds of automated deposit ATMs were cash recyclers. As with automated deposit more generally, the share of recyclers is highest in Asia-Pacific, where 79% of deposit ATMs redispense deposited banknotes. This was the first region to see recyclers (pioneered by Japan's OKI), and there is strong demand for these terminals in a number of Asian markets.



PRESS RELEASE

Automated deposit will continue to grow as banks look to migrate transactions to self-service

Banks are expected to continue expanding their fleets of automated deposit terminals, even as the number of ATMs overall begins to shrink slightly. Rowan Berridge, who led RBR's research project, said: "*Banks are increasingly looking to migrate deposit transactions away from the teller, and automated deposit terminals will continue to be a key tool in helping them to do so*".

Notes to editors

These figures and insights are based on RBR's study, *Global ATM Market and Forecasts to 2023*. For more information about this report, or to discuss the findings in more detail, please email Rowan Berridge (rowan.berridge@rbrlondon.com) or call +44 20 8831 7311.

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