

Banking Automation **BULLETIN**



Russian e-commerce surges as economy goes digital

Bank of England intends to serve new digital economy

First Direct – the rise of the first challenger bank

Cheques are most defrauded payment method in France

Software keeps ATMs relevant in digital ecosystem

Country profile: Pakistan

Banking Automation

BULLETIN



LINK guarantees an ATM on every high street in the UK

You have to have a degree of sympathy with LINK, the UK's cash machine network – customer behaviour and the competitive environment around cash are evolving so rapidly that its initiatives are repeatedly being overrun by events.

It is hard to believe that as recently as 31st January 2018 LINK announced a series of four 5% ATM interchange fee cuts for domestic cash withdrawals. By mid-July of last year, the third and fourth of these cuts had been cancelled and postponed. Then on 23rd January this year, in response to the withdrawal of a large number of ATMs and concern about access to cash in remote and deprived areas, a new 'super premium' of up to £2.75 per withdrawal in certain locations was announced.

We now have a new intervention, announced on 30th August, which is by far the most dramatic to date – it will see LINK step in and directly commission free-to-use ATMs in communities threatened by the loss of their last ATM and without a Post Office counter. LINK has identified approximately 6,500 high streets (which it defines as retail centres with five or more qualifying retailers) and says that at present only ten have no free access to cash. In such locations LINK will run a competitive procurement process to have an ATM installed – it is running a restricted trial in four locations through 2020.

This initiative will be funded by the bank and building society members of LINK, which is notable because it is these same institutions that were pressing for a reduction in interchange fees in the first place – so in other words they are still funding cash withdrawals, but through a different mechanism. The surprising thing is that LINK has not gone for a purely interchange fees based solution and has chosen to intervene to actively commission ATM deployment.

LINK is not a state-owned entity, but it or its member-owners are clearly responding to government pressure to ensure access to cash is maintained. Will such initiatives become more common in other countries? Possibly, but actually stepping in to commission ATM deployment is a major strategy leap. Pressure on financial institutions to maintain deployment levels and/or increased interchange fees remain simpler solutions and the more likely for now.

Dominic Hirsch, Editor

- 2 E-COMMERCE IN RUSSIA**
Russian e-commerce surges as economy goes digital

- 4 UK FINANCE**
Bank of England intends to serve new digital economy

- 5 UK CHALLENGER BANK**
First Direct – the rise of the first challenger bank

- 7 DIEBOLD NIXDORF PERSPECTIVE**
Small business is segment to nurture in 2020 and beyond

- 8 FRENCH PAYMENTS**
Cheques are most defrauded payment method in France

- 9 CASH PAYMENTS**
Cash and its alternatives – a need for something for everyone

- 11 GLOBAL ATM SOFTWARE**
Software keeps ATMs relevant in digital ecosystem

- 13 SYNTHETIC IDENTITY FRAUD**
The Fed reviews challenges of catching phantom thieves

- 15 NEWS BULLETIN**
Banking, ATM and payments news

- 17 COUNTRY PROFILE**
ATM and cards intelligence on Pakistan

- 21 CONFERENCE DIARY**
Upcoming industry events from around the world

Editor Dominic Hirsch

Managing Editor Morten Jorgensen

Assistant Editor Tomomi Kimura

Contributors Chris Allen, Sam Blackwell, Emily Camara, David Cavell, Eleanor Duerden, Jim Flannery, Alex Maple, Laura Raus, Stephen Reinhardt

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:

Auriga www.aurigaspa.com

Diebold Nixdorf www.DieboldNixdorf.com

Euronet Worldwide www.euronetworldwide.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) [t](https://twitter.com/RBRLondon) @RBRLondon

ISSN 1748-5304

RBR

393 Richmond Road

London TW1 2EF, United Kingdom

Banking Automation **BULLETIN**

Regular topics include:

- Artificial intelligence and big data
- ATM and cyber security
- Biometrics
- Blockchain and cryptocurrency
- Branch and digital transformation
- Cash usage and management
- Contactless and mobile payments
- Deposit automation and recycling
- Fintech innovation
- Interchange and merchant fees
- Merchant acquiring and EFTPOS
- Non-cash payments
- Open banking APIs
- Outsourcing and managed services
- Payment card issuance and processing
- Payment systems
- Regulation and standards
- Retail cash automation
- Self-service banking
- Teller automation and video banking



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 options:

	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 Mastercard Visa

Card number Expires Total amount payable GBP (£)

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